



2014

Annual  
Report



COUNTRY  
GARDEN

Holdings Company Limited

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2007

# WHAT IS COUNTRY GARDEN?

For more than 20 years, Country Garden has been a practitioner in China's urbanization across more than 200 cities. Country Garden strived to bring modernization to cities and improve the living quality of people's life.

A typical Country Garden project would usually become the postcard image of the city due to its scenery presence. With unforgettable gardening environment and experienced property management services, Country Garden aims to make customers feel comfortable and safe.

The architectural design and property management service of Country Garden's new community should be able to stand the test of time. Country Garden offers world-class communities and is now the choice for over one million people.

Country Garden was listed on the Hong Kong Stock Exchange in 2007. With a contract sales of over RMB100 billion and tax payment of over RMB10 billion in 2013, it has become a leading property developer that strictly follows compliance and regulations.

As a company with over 70,000 employees, Country Garden provides decorated housing units at an average price around RMB6,000/m<sup>2</sup> only, which is the lowest among the top-10 property developers in China. Country Garden strives to offer the best value-for-money products to the world.

Every Country Garden employee is expected to adopt our corporate value:

**“To create a better society with our existence”;**

**“To shape a prosperous future through our conscience and social responsibility”.**

Country Garden and its founders are dedicated to charity events and over RMB1.9 billion have been donated.

This is Country Garden, a company dedicated to the development of a harmonious society.

Country Garden, five-star living for you.

---Founder and Chairman of Country Garden, Mr. YEUNG Kwok Keung

## Design Concept:

The design concept is initiated from a 12-hour clock. It hosts the vision of Country Garden that the founder dreamed of. Each of the twelve denominations on the dial tells one of his 12 operating philosophies of Country Garden with relevant photos, illustrating its contributions to the staff, community and nation.

Checks are radiating in a matched pattern from 12 to 6 of dial in iconic colors of the Company. Timeless eternity is manifested as well as the history of committed operation of Country Garden over years, with the future in pursuit of innovation with time. The radiant glamour highlights the social awareness of the Company which improves people's quality of life.



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# CORPORATE OVERVIEW





Country Garden Holdings Company Limited (stock code: 2007.HK) is one of China's leading integrated property developers. The Group runs a centralized and standardized business model that comprises property development, construction, decoration, property management, property investment, as well as hotel development and management. Country Garden offers a broad range of products to cater for diverse market demands. Its various products include residential projects such as townhouses, condos, as well as car-parks and retail shops. The Group also develops and manages hotels within some of its projects to enhance the potential for property value appreciation. The Group operates independent hotels as well. The Group was recognized as one of

"Chinese Well-known Trademarks" by PRC State Administration for Industry and Commerce in 2006.

Country Garden was listed on the main board of the Stock Exchange on 20 April 2007. The listing not only provided the Group with additional funding to sustain healthy growth in the future, but it also assisted the Group to establish its foothold in the international capital market. Country Garden was well recognized by the market after listing. It was included in the MSCI Global Standard Index on 1 September 2007. It was also covered by the Hang Seng Composite Index, Hang Seng Mainland Composite Index and Hang Seng Mainland Freefloat Index (currently known as The Hang Seng Main Land 100) on 10 September 2007. All the

Huaxi Country Garden



above facts symbolized the capital market's recognition of Country Garden as a major component of the Hong Kong stock market and also strengthened the Group's position in the international capital markets.

Since the beginning, Country Garden has been benefiting from the thriving economy of the PRC. It has also expanded its business operation out of Guangdong Province into other high economic growth regions. As of 31 December 2014, excluding Guangdong Province, Country Garden had property development operations in a number of strategically selected locations in 23 Provinces/Municipalities/Autonomous Regions in China. Since December 2011, the Group has successfully expanded into overseas market, and has

property development projects in Malaysia and Australia currently. The strategic expansions further reinforced the Group's leading position in Guangdong Province, strengthened its developments in other regions, and demonstrated the excellent execution ability and the potential of the Group's successful business model.

Looking forward, Country Garden will continue to focus on developing high quality property projects in the suburban areas of first and second tier cities as well as third and fourth tier cities in China with promising economic growth potential. Besides, the Group will also select suitable projects with potential in oversea markets. Leveraging on its unique competitive strengths with right

strategic direction, Country Garden will further replicate its successful business model into new high growth regions. In addition, Country Garden is known for its fast asset turnover and excellent execution ability, as well as innovative products which can meet market demand. All the above factors contribute to the Group's leading nationwide residential property developer status and its brand prestige.



# CORE VALUES

**CORE VALUES OF COUNTRY GARDEN:**  
To shape a prosperous future through our conscience and social responsibility awareness

**SERVICE CONCEPT:**  
Five-star living for you



**CORPORATE MISSION:**  
To create a better society with our existence



**CORPORATE SPIRIT:**  
To benefit people and the society



This is a company that is highly recognized and appreciated by the society

This is a company that excels in social well being, corporate benefits and staff benefits

This is a company that builds quality and affordable houses for the whole world



**Mr. YEUNG Kwok Keung  
the founder: Country  
Garden that I dreamed of**

This is a company dedicates to the development of human society

This is an elitist company

This is a good place for the talents

This is a place to learn and make progress

This is a harmonious big family

This is a company of integrity and commitment, operating in compliance with laws and regulations

This is a sensible company that constantly corrects itself

This is a company of equality which rewards excellence

This is a company that prospers and constantly better itself with experiences and practices

## DIRECTORS

### Executive Directors

Mr. YEUNG Kwok Keung (*Chairman*)  
Ms. YANG Huiyan (*Vice Chairman*)  
Mr. MO Bin (*President*)  
Mr. ZHU Rongbin (*Associate President*)  
Mr. WU Jianbin (appointed on 1 April 2014)  
(*Chief Financial Officer*) (appointed on 30 April 2014)  
Ms. YANG Ziyang  
Mr. YANG Erzhu  
Mr. SU Rubo  
Mr. OU Xueming  
Mr. YANG Zhicheng  
Mr. YANG Yongchao (resigned on 19 August 2014)  
Mr. XIE Shutai  
Mr. SONG Jun  
Mr. LIANG Guokun  
Mr. SU Baiyuan

### Independent Non-executive Directors

Mr. LAI Ming, Joseph  
Mr. SHEK Lai Him, Abraham  
Mr. TONG Wui Tung, Ronald  
Mr. HUANG Hongyan  
Ms. HUANG Xiao  
Mr. LIU Hongyu  
Mr. MEI Wenjue  
Mr. YEUNG Kwok On (appointed on 1 April 2014)

## CHIEF FINANCIAL OFFICER

Mr. WU Jianbin (appointed on 30 April 2014)  
Ms. NG Yi Kum, Estella (resigned on 30 April 2014)

## COMPANY SECRETARY

Mr. HUEN Po Wah

## AUTHORIZED REPRESENTATIVES

Ms. YANG Huiyan  
Mr. MO Bin  
Mr. WU Jianbin (alternate to Ms. YANG Huiyan)  
(appointed on 30 April 2014)  
Ms. NG Yi Kum, Estella (alternate to Ms. YANG Huiyan)  
(resigned on 30 April 2014)  
Ms. SIN Lai Lan (alternate to Mr. MO Bin)  
(appointed on 30 April 2014)  
Ms. NG Chi Man (alternate to Mr. MO Bin)  
(resigned on 30 April 2014)

## AUDIT COMMITTEE

Mr. LAI Ming, Joseph (*Chairman*)  
Mr. SHEK Lai Him, Abraham  
Mr. TONG Wui Tung, Ronald  
Mr. HUANG Hongyan  
Ms. HUANG Xiao

## REMUNERATION COMMITTEE

Mr. TONG Wui Tung, Ronald (*Chairman*)  
Mr. YEUNG Kwok Keung  
Mr. MO Bin  
Mr. LAI Ming, Joseph  
Mr. SHEK Lai Him, Abraham  
Mr. HUANG Hongyan  
Ms. HUANG Xiao

## NOMINATION COMMITTEE

Mr. YEUNG Kwok Keung (*Chairman*)  
Mr. LAI Ming, Joseph  
Mr. TONG Wui Tung, Ronald  
Mr. HUANG Hongyan  
Ms. HUANG Xiao

## CORPORATE GOVERNANCE COMMITTEE

Mr. YEUNG Kwok Keung (*Chairman*)  
Ms. YANG Huiyan  
Mr. MO Bin

## EXECUTIVE COMMITTEE

(*established on 6 June 2014*)

Mr. YEUNG Kwok Keung (*Chairman*)  
Ms. YANG Huiyan  
Mr. MO Bin  
Mr. ZHU Rongbin  
Mr. WU Jianbin  
Ms. YANG Ziyang  
Mr. YANG Zhicheng  
Mr. YANG Yongchao (resigned on 19 August 2014)

## FINANCE COMMITTEE

(*established on 22 August 2014*)

Mr. WU Jianbin (*Chairman*)  
Ms. YANG Huiyan  
Mr. MO Bin  
Ms. WU Bijun  
Mr. FU Yuanchun  
Mr. LUO Jie

## REGISTERED OFFICE

Cricket Square Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN THE PRC

Country Garden Centre  
No.1 Country Garden Road  
Beijiao Town, Shunde District, Foshan  
Guangdong Province 528312  
The PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1702, 17/F.  
Dina House, Ruttonjee Centre  
11 Duddell Street  
Central, Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## PRINCIPAL BANKERS (In Alphabetical Order)

Agricultural Bank of China Limited  
Bank of China Limited  
Bank of China (Hong Kong) Limited  
Bank of Communications Co., Ltd.  
The Bank of East Asia, Limited  
China Construction Bank Corporation  
China Development Bank Corporation  
China Guangfa Bank Co., Ltd.  
China Merchants Bank Co., Ltd.  
China Minsheng Banking Corp., Ltd.  
Deutsche Bank AG, Singapore Branch  
Hang Seng Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Industrial and Commercial Bank of China Limited  
JPMorgan Chase Bank, N.A., Hong Kong Branch  
Shanghai Pudong Development Bank Co., Ltd.

## AUDITOR

PricewaterhouseCoopers

## LEGAL ADVISORS

### As to Hong Kong law:

Sidley Austin LLP  
lu, Lai & Li

### As to PRC law:

Jingtian & Gongcheng

## STOCK CODE

The Stock Exchange of Hong Kong Limited  
Stock Code: 2007

## WEBSITE

<http://www.countrygarden.com.cn>



# PERFORMANCE AND GOVERNANCE





# CHAIRMAN'S STATEMENT



**YEUNG Kwok Keung**  
Chairman

Country Garden — Longines Bay (Putian)

**TOTAL REVENUE**  
**RMB84.55 BILLION**



**PROFIT ATTRIBUTABLE  
TO THE OWNERS OF  
THE COMPANY**  
**RMB10.23 BILLION**



The Group's contracted sales reached approximately RMB128.8 billion for the year, representing a year-on-year increase of 21.5%, with contracted gross floor area of approximately 19.28 million sqm, representing a year-on-year growth of 21.0%. The cash collection of contracted sales reached approximately RMB105.8 billion, which was the first time for the Group to record a cash collection of over RMB100 billion.



Dear Shareholders,

I have witnessed the emergence of China's property industry, strived our best together with colleagues of the Group in the booming years of the industry, and overcame hardship with our peers at its trough. The year 2014, marking the 22th anniversary of the Country Garden in China's property industry, could hardly be regarded as a "good year" that the market craved for. It began with the recession of industry and ended with the departure of some

of our peers. The track development of Country Garden has never been smooth. However, the Group was being committed to its strategy: focusing on the urbanization in China and offering high value-for-money property products for common people in China. Thanks to our perseverance and the will to change, Country Garden had a great leap forward in 2013. On this basis, the Group still managed to achieve targeted growth in various core indicators against the market depression at the beginning of the year.



Lu'an Country Garden

In 2014, the Group generated a total revenue of RMB84.55 billion, representing a year-on-year increase of approximately 34.8%, and gross profit reached RMB22.06 billion, representing a year-on-year increase of 16.0%. Profit attributable to owners of the Company rose to approximately RMB10.23 billion, representing a year-on-year increase of approximately 20.1%. The core net profit amounted to RMB9.24 billion, representing a year-on-year increase of 15.5%.

The Group's contracted sales reached approximately RMB128.8 billion for the year, representing a year-on-year increase of 21.5%, with contracted gross floor area of approximately 19.28 million sqm, representing a year-on-

year growth of 21.0%. The cash collection of contracted sales reached approximately RMB105.8 billion, which was the first time for the Group to record a cash collection of over RMB100 billion. During 2014, the Company launched a total of 77 new projects, most of which were outside Guangdong Province. Furthermore, the Company successfully issued an initial overseas syndicated bank loans of HKD4.5 billion which was of the largest debut issuance among the major domestic property developers in China. The sound financial status of the Group was well recognized by the capital market. Among the major domestic property developers, the Company was the most frequently upgraded in terms of ratings and outlooks by the international rating institutions during 2014.





Caribbean Restaurant in Lu'an Country Garden

The steady growth was mainly attributable to the Group's focus on the ongoing urbanization in China. Although the economic growth slows down, the trend of population flow from rural areas to cities will remain unchanged. Thus, the Group believes that the housing and other demands brought by the urbanization still sustain in the long run. Based on this fundamental condition, focusing on the urbanization opportunities, developing a strategic sales and marketing plan, offering high value-for-money products and strengthening differentiated competitive edges are the key factors for Country Garden's success.

Regarding target markets, approximately 50% of the sales was contributed from the projects targeting Tier 1 and 2 cities, and the remaining 50% was from projects targeting

Tier 3 and 4 cities. With the enhanced and optimized R & D, marketing capabilities, together with a range of innovative measures of the Group including the expansion on the internet platform, the sales volume increased, and the average selling price remained steady. In addition, the inventory level showed modest decline and the sell-through rate further increased.

The Group strictly pursued its top-down and red-line management, leading to effective execution of financial policies. By implementing various capital structure optimizing mechanisms, such as liquidizing the existing assets and expanding financing channels, the Group not only further reduced its financing costs, but also laid a solid foundation for its future growth.

The growth of the Country Garden came from countless reviews, studies and breakthroughs. The Group restructured and re-adjusted the management measures on the regional companies and made great efforts in achieving a sound system so as to improve its operating efficiency. A partnership scheme catering to the needs of Country Garden was introduced, which strengthened the solidarity of the core management executives and the shareholders of the Company. Furthermore, the Group has put in more efforts in human resources and training. The Group introduced a large number of highly educated talents with cross-industries background and has allocated approximately 200 people for an integrated training program, who might become the leaders of the Group in a few years. The Group strived to strengthen the risk control and compliance process, by having a strong legal team of over 100 professionals and the stringent internal control system.

With the successful experience gained over the past years, the Group believes that the strategic management, corporate governance and the project management quality of Country Garden will be enhanced, so as to continue to improve the operating efficiency of the Group. In addition, Country Garden will also further emphasize cost control, striving to achieve a satisfying net operating cash flow. Looking forward, Country Garden will further leverage the consolidation advantage of the industry chain, and with the housing community oriented approach, build and optimize the business platform covering the different stages of life cycles and foster the maximum commercial value of the real estate-related business.

It has been 22 years since the founding of Country Garden.



Qingdao Country Garden



Country Garden — City Garden Lanzhou

The age of 22 marks the youth filled with passion and dreams in one's life. Recalling the year when I was 22, I never belittle myself, though coming from a humble background. I worked tirelessly day and night in the fields and on construction sites. Exactly this experience enabled me to perceive the fabulous vision of how the current urbanization would bring tremendous changes to the diligent Chinese people. I understand people's urge of improving their living condition and their anxiety about high housing prices. With its ambition and passion, Country Garden will continue to devote itself to the wavefront of the Chinese urbanization so as to benefit the people and reward the shareholders.

"To benefit the people and the society" remains the core value I have set for Country Garden.

Urbanization is keeping its pace and Country Garden is marching on. With the integrity and sincerity, the Group can definitely live up to the investors' expectations.

**YEUNG Kwok Keung**

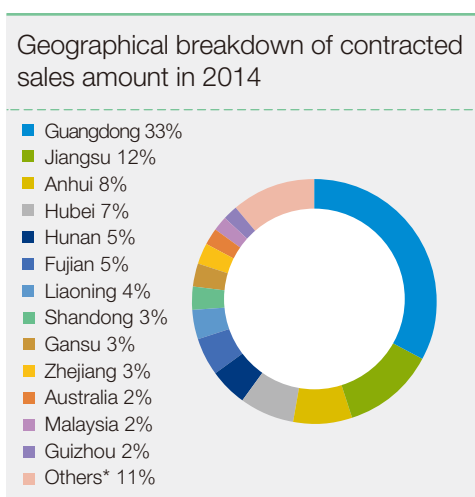
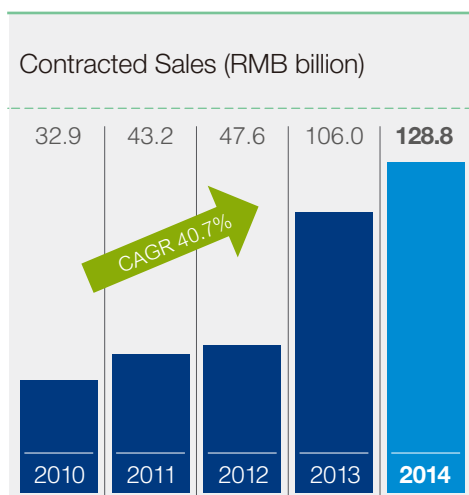
*Chairman*

11 March 2015

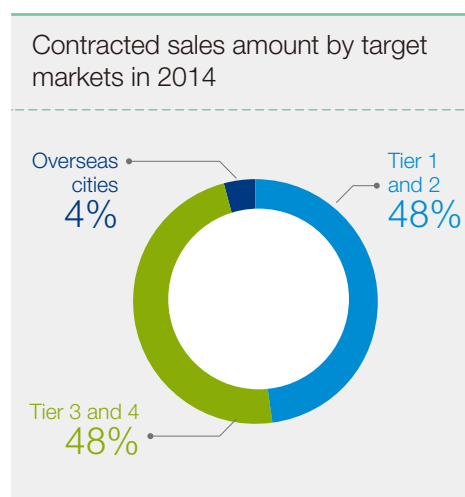
## PROPERTY DEVELOPMENT

### Contracted Sales

The Group's contracted sales reached approximately RMB128.8 billion in 2014, representing a year-on-year increase of 21.5%. From 2010 to 2014, the contracted sales compound annual growth rate was approximately 40.7%. In 2014, the contracted sales outside Guangdong Province was around 67% of that of the Group, reflecting the Group's efforts in geographic diversification. In terms of target markets, around 48% was contributed by projects targeting Tier 1 and 2 cities, around 48% from Tier 3 and 4 cities.

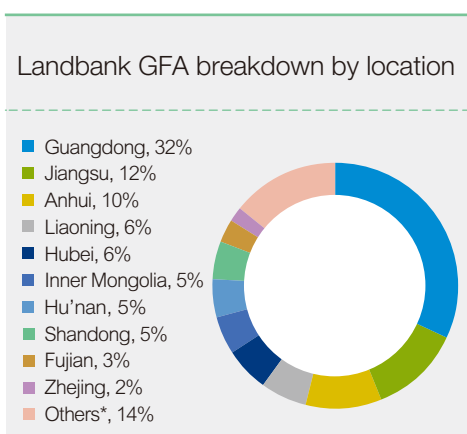


Others\* including Sichuan, Hainan, Henan, Chongqing, Guangxi, Tianjin, Jiangxi, Hebei, Inner Mongolia, Yunnan, Jilin, Heilongjiang, Shanxi.

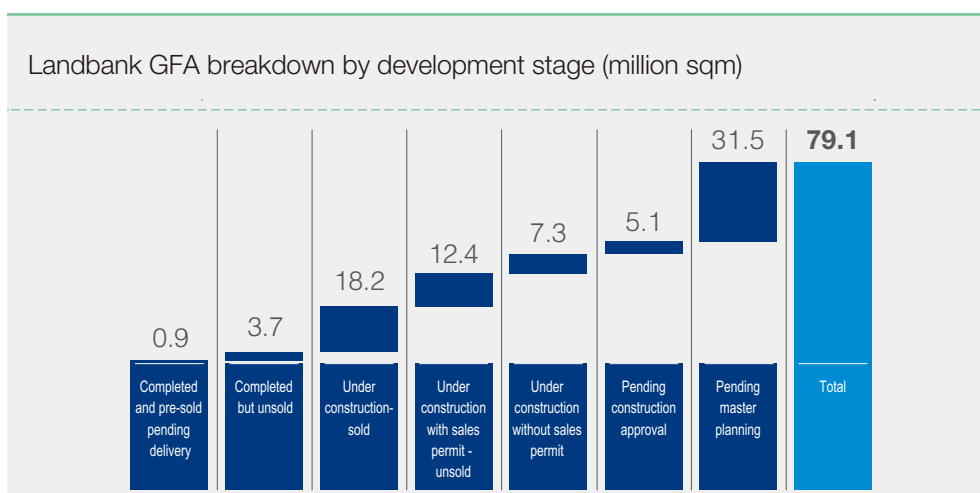


## Landbank

As of 31 December 2014, GFA attributable to the owners of the Company with land use right certificates, development and operation rights or land titles was 79.10 million sqm. 68% of the landbank was located outside of Guangdong province. By development stage around 48% of the landbank was under construction, and 23% was presold.



Others\* Including Malaysia, Chongqing, Sichuan, Jiangxi, He'nan, Guangxi, Gansu, Guizhou, Tianjin, Hebei, Hainan, Jilin, Yunnan, Heilongjiang, Shanxi, Australia.



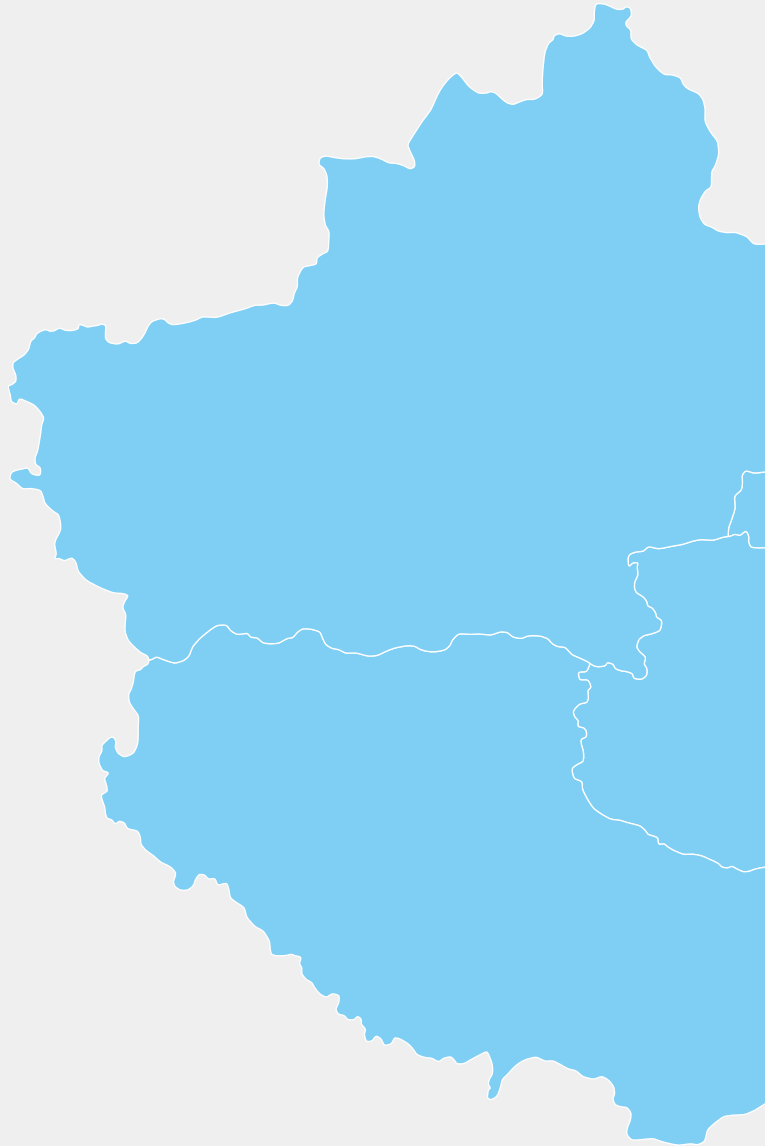
### Project Location

As of 31 December 2014, the Group owned 238 projects under different development stages. 234 of these projects were located in China, 3 in Malaysia, 1 in Australia.

As of 31 December 2014, the Group's

**234** projects in **China**

were located as follows:



The Group had 4 overseas projects, including 2 projects in the state of **Selangor**, 1 project in the state of **Johor** of **Malaysia** and 1 project in **Sydney** of **Australia**



## Project Details

Serial number	Project	City (District)	Aggregate GFA for entire project	Completed property developments					
				Interest attributable to the Company	Completed GFA <sup>(1)</sup>	Total completed saleable GFA <sup>(1)</sup>	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date
				(%)	(sqm)	(sqm)	(sqm)	(sqm)	
1	Country Garden East Court (碧桂園東苑)	Guangzhou (Panyu)	269,222	100%	240,550	238,860	235,251		29/Jun/02
2	Shawan Country Garden (沙灣碧桂園)	Guangzhou (Panyu)	278,834	100%	278,834	273,702	273,702		31/Dec/09
3	Huanan Country Garden – Phases One to Five and Phase Seven (華南碧桂園 – 一至五期及七期)	Guangzhou (Panyu)	1,075,099	100%	1,075,099	960,460	960,305		19/Dec/11
4	Huanan Country Garden – Phase Six (華南碧桂園 – 六期)	Guangzhou (Panyu)	424,231	50%	408,391	407,552	407,552		20/Dec/07
5	Licheng Country Garden (荔城碧桂園)	Guangzhou (Zengcheng)	568,729	100%	568,729	550,765	547,337		30/Jun/10
6	Country Garden Phoenix City (碧桂園鳳凰城)	Guangzhou (Zengcheng)	4,692,699	100%	4,659,318	4,394,977	4,310,645	22,422	30/Dec/14
7	Nansha Country Garden (南沙碧桂園)	Guangzhou (Nansha)	515,889	100%	515,889	491,002	489,304		28/Jun/10
8	Holiday Islands – Huadu (假日半島 – 花都)	Guangzhou (Huadu)	444,912	100%	418,260	403,728	365,869	4,457	18/Oct/12
9	Shunde Country Garden – including Country Garden West Court (順德碧桂園(含碧桂園西苑))	Foshan (Shunde)	3,214,353	100%	2,394,442	2,209,573	2,146,002	850	30/Jun/14
10	Jun'an Country Garden (均安碧桂園)	Foshan (Shunde)	254,510	90%	224,458	214,110	214,110		20/Jun/11
11	Peninsula Country Garden (半島碧桂園)	Foshan (Shunde)	294,330	100%	294,330	287,042	287,042		16/Apr/08
12	Gaoming Country Garden (高明碧桂園)	Foshan (Gaoming)	986,047	100%	943,251	938,181	934,438		30/May/14
13	Nanhai Country Garden (南海碧桂園)	Foshan (Nanhai)	553,574	100%	553,574	542,839	542,839		30/Mar/11
14	Heshan Country Garden (鶴山碧桂園)	Jiangmen (Heshan)	2,072,266	100%	1,895,444	1,822,549	1,802,286		10/Nov/14
15	Wuyi Country Garden (五邑碧桂園)	Jiangmen (Pengjiang)	954,990	100%	954,990	912,270	911,330	758	18/Dec/13
16	Xinhui Country Garden (新會碧桂園)	Jiangmen (Xinhui)	588,496	100%	588,496	578,335	577,969		28/Dec/12
17	Taishan Country Garden (台山碧桂園)	Jiangmen (Taishan)	2,401,753	100%	1,102,671	1,077,162	965,239	48,992	22/Dec/14
18	Yangdong Country Garden (陽東碧桂園)	Yangjiang (Yangdong)	390,846	100%	390,846	370,201	370,201		21/Dec/10
19	Changsha Country Garden (長沙碧桂園)	Changsha (Changsha)	1,346,185	100%	860,121	813,770	791,288	5,148	18/May/12
20	Zhaoqing Lanling Residence (肇慶藍領公寓)	Zhaoqing (Gaoxin)	185,721	100%	185,721	19,890	9,803		26/Jun/09
21	Zhaoqing Country Garden (肇慶碧桂園)	Zhaoqing (Gaoyao)	466,312	51%	466,312	449,793	449,793		25/Jul/14



Properties under development						Properties for future development			
GFA under development <sup>(2)</sup>	Total saleable GFA under development <sup>(2)</sup>	Actual commencement date	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development <sup>(2)</sup>	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
(sqm)	(sqm)		(sqm)			(sqm)			
						28,672	2nd Quarter, 2015	—	2nd Quarter, 2016
15,840		15/Oct/04		—	3rd Quarter, 2015				
33,381	32,648	29/Apr/07	7,870	30/Apr/08	4th Quarter, 2015				
5,691		11/May/06		—	4th Quarter, 2015	20,961	2nd Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2016
613,183	360,602	25/Aug/08	247,556	23/Aug/13	4th Quarter, 2016	206,728	2nd Quarter, 2015	—	2nd Quarter, 2017
						30,052	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2016
42,796	30,478	31/May/06	11,878	29/Sep/13	4th Quarter, 2015				
						176,822	2nd Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2017
194,251	141,256	17/Aug/10	104,976	30/Sep/13	2nd Quarter, 2016	1,104,831	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2018
273,235	266,446	15/May/13	102,423	17/Sep/13	4th Quarter, 2016	212,829	2nd Quarter, 2015	4th Quarter, 2015	1st Quarter, 2018

Serial number	Project	City (District)	Aggregate GFA for entire project	Completed property developments					
				Interest attributable to the Company	Completed GFA <sup>(1)</sup>	Total completed saleable GFA <sup>(1)</sup>	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date
			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
22	Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	3,497,668	100%	2,002,083	1,908,313	1,770,967	5,468	29/Dec/14
23	Taizhou Country Garden (泰州碧桂園)	Taizhou (Hailing)	1,144,929	100%	735,384	679,508	637,682		30/Jun/14
24	Huiyang Country Garden (惠陽碧桂園)	Huizhou (Huiyang)	1,003,542	90%	629,809	601,837	521,111	6,825	16/Oct/14
25	Manzhouli Country Garden (滿洲里碧桂園)	Hulunbeier (Manzhouli)	1,589,359	100%	184,762	171,252	134,972	1,273	22/Aug/14
26	Lechang Country Garden (樂昌碧桂園)	Shaoguan (Lechang)	982,446	100%	398,446	384,490	356,657	1,251	26/Aug/14
27	Country Garden – Sun Palace (碧桂園 • 太陽城)	Shenyang (Daoyi)	1,121,978	100%	444,528	435,560	428,578	92	30/Jul/14
28	Shenyang Country Garden (瀋陽碧桂園)	Shenyang (Huashan)	1,193,611	100%	347,090	337,398	305,176	1,492	22/Sep/14
29	Country Garden – Galaxy Palace (碧桂園 • 銀河城)	Shenyang (Yuhong)	2,873,211	100%	1,227,997	1,140,708	1,031,757	38,937	30/Oct/14
30	Country Garden – Phoenix City (碧桂園 • 鳳凰城)	Shenyang (Sujiatun)	2,089,775	100%	788,979	766,213	711,361	2,820	29/Aug/14
31	Enping Country Garden (恩平碧桂園)	Jiangmen (Enping)	292,291	100%	292,291	277,488	275,904		30/Jul/14
32	Country Garden – Hill Lake Palace (碧桂園 • 山湖城)	Changsha (Ningxiang)	590,906	100%	371,566	337,438	215,009	10,932	24/Dec/14
33	Country Garden Lakeside City (碧桂園濱湖城)	Hefei (Chaohu)	986,243	100%	833,074	817,498	792,962		20/Nov/14
34	Shanwei Country Garden (汕尾碧桂園)	Shanwei (Shanwei)	984,948	100%	452,781	440,712	440,138		26/Jun/14
35	Wuhan Country Garden (武漢碧桂園)	Wuhan (Hannan)	761,020	100%	550,374	523,424	457,247	13,822	28/Aug/14
36	Shaoguan Country Garden – Sun Palace (韶關碧桂園 • 太陽城)	Shaoguan (Xilian)	4,458,779	100%	835,632	821,383	777,067	14,583	30/Dec/14
37	Haicheng Country Garden (海城碧桂園)	Anshan (Haicheng)	448,972	100%	221,991	216,529	172,190	18,609	30/Oct/14
38	Xing'anmeng Country Garden (興安盟碧桂園)	Xing'anmeng (Keyouqianqj)	1,241,936	100%	405,616	389,282	378,167	9,384	31/Oct/14
39	Chizhou Country Garden (池州碧桂園)	Chizhou (Zhanqian)	417,912	100%	417,912	389,946	389,459		30/Jun/14
40	Country Garden – Hill Lake City (碧桂園 • 如山湖城)	Maanshan (Hexian)	1,072,092	100%	676,306	651,590	355,360	1,119	9/Jun/14
41	Shihui Country Garden (四會碧桂園)	Zhaoqing (Shihui)	123,379	100%	47,102	45,491	44,225		30/Jun/10
42	Xianning Country Garden (咸寧碧桂園)	Xianning (Xian'an)	619,859	100%	487,483	463,864	412,216	4,102	19/Nov/14
43	Country Garden – Hot Spring City (碧桂園 • 溫泉城)	Xianning (Xian'an)	1,056,148	100%	580,119	578,022	506,320	6,691	9/Dec/14
44	Suizhou Country Garden (隨州碧桂園)	Suizhou (Chengnan)	1,553,567	100%	683,451	662,610	575,026	50,504	20/Oct/14

Properties under development						Properties for future development			
GFA under development <sup>(2)</sup>	Total saleable GFA under development <sup>(2)</sup>	Actual commencement date	Total saleable GFA pre-sold	Actual/ Estimated pre-sale commencement date	Estimated completion date	GFA for future development <sup>(3)</sup>	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
(sqm)	(sqm)		(sqm)			(sqm)			
329,215	319,770	17/Jan/07	66,314	24/Jan/14	4th Quarter, 2016	1,166,370	1st Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2019
101,864	92,089	18/Aug/14	16,483	30/Aug/14	4th Quarter, 2016	307,681	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
28,059	459	30/Jun/09		2nd Quarter, 2015	4th Quarter, 2015	345,674	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
212,972	203,443	23/Jul/07	4,803	13/Sep/11	2nd Quarter, 2017	1,191,625	2nd Quarter, 2015	2nd Quarter, 2016	4th Quarter, 2024
48,217	45,838	26/Sep/12	9,903	23/May/14	2nd Quarter, 2016	535,783	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
268,087	250,031	28/Jul/09	94,184	5/Jul/13	2nd Quarter, 2017	409,363	2nd Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2018
104,272	99,826	8/Sep/07	8,751	14/Oct/13	4th Quarter, 2016	742,249	1st Quarter, 2015	3rd Quarter, 2015	3rd Quarter, 2018
1,242,782	1,235,484	25/Oct/12	1,086,809	19/Nov/12	4th Quarter, 2016	402,432	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
620,130	616,159	26/Jun/08	285,419	6/Jun/13	2nd Quarter, 2017	680,666	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2018
164,340	164,140	9/Jul/13	22,050	12/Sep/13	2nd Quarter, 2016	55,000	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2016
58,057	54,454	13/Dec/07	7,732	29/Nov/13	2nd Quarter, 2016	95,112	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2016
228,076	223,893	12/Nov/13	125,964	10/Dec/13	2nd Quarter, 2016	304,091	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017
122,690	108,203	30/Jan/08		2nd Quarter, 2015	4th Quarter, 2016	87,956	2nd Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2017
525,077	495,756	28/Dec/09	129,786	13/Nov/13	2nd Quarter, 2017	3,098,070	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2024
112,483	110,124	20/Oct/11	8,686	7/Jul/14	4th Quarter, 2016	114,498	2nd Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2017
179,320	173,748	26/Sep/13	13,414	27/Sep/13	4th Quarter, 2016	657,000	2nd Quarter, 2015	2nd Quarter, 2016	4th Quarter, 2019
50,388	50,188	17/Jul/12	17,274	30/Sep/14	4th Quarter, 2015	345,398	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2017
76,277	74,186	13/Aug/14	6,848	12/Dec/14	4th Quarter, 2016				
46,653	44,394	22/Apr/13	4,831	28/Apr/13	4th Quarter, 2016	85,723	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017
116,809	116,404	19/May/11	10,087	26/Sep/14	4th Quarter, 2016	359,220	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2017
201,810	200,898	21/May/08	96,845	29/Sep/13	4th Quarter, 2015	668,306	1st Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2017

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				Interest attributable to the Company	Completed GFA <sup>(1)</sup>	Total completed saleable GFA <sup>(1)</sup>	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date
			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
45	Changshou Country Garden (長壽碧桂園)	Chongqing (Changshou)	641,093	100%	436,316	415,115	397,450	7,086	15/Oct/13
46	Tongliao Country Garden (通遼碧桂園)	Tongliao (Keerqin)	1,912,696	100%	473,920	458,989	434,742	961	5/Nov/14
47	Huangshan Country Garden (黃山碧桂園)	Huangshan (Tunxi)	330,953	100%	330,024	311,671	302,623	107	26/Nov/12
48	Anqing Country Garden (安慶碧桂園)	Anqing (Yingjiang)	3,243,083	100%	1,003,131	905,383	895,767	1,275	30/Aug/14
49	Wuhu Country Garden (蕪湖碧桂園)	Wuhu (Sanshanqu)	2,111,524	100%	822,128	769,669	674,937	3,031	29/Oct/12
50	Yiyang Country Garden (益陽碧桂園)	Yiyang (Yiyang)	1,186,838	100%	421,429	416,497	390,504	8,700	19/Dec/14
51	Chaohu Country Garden (巢湖碧桂園)	Hefei (Chaohu)	741,429	100%	544,547	503,501	481,903		18/Dec/14
52	Liuyang Country Garden (瀏陽碧桂園)	Changsha (Liuyang)	1,036,066	100%	422,361	417,346	378,268	31,723	31/Dec/14
53	Maoming Country Garden (茂名碧桂園)	Maoming (Maonan)	439,232	100%	434,772	415,983	354,806	2,655	3/Sep/14
54	Yangshan Country Garden (陽山碧桂園)	Qingyuan (Yangshan)	843,968	100%	316,725	312,031	288,527		10/Dec/14
55	Suihua Country Garden (綏化碧桂園)	Suihua (Beilin)	270,119	100%	181,074	180,651	177,916	777	30/Jul/14
56	Country Garden – Deyu Office Building (碧桂園•德域大廈)	Tianjin (Tanggu)	113,205	100%					
57	Tianjin Country Garden (天津碧桂園)	Tianjin (Balitai)	992,132	100%	505,634	459,388	447,998	1,135	29/Jul/14
58	Jingmen Country Garden (荊門碧桂園)	Jingmen (Duodao)	1,306,809	100%	605,120	590,821	568,123	2,205	8/Dec/14
59	Country Garden – Lychee Park (碧桂園•荔園)	Guangzhou (Zengcheng)	87,059	100%	87,059	86,287	85,870		26/May/10
60	Zhaoqing Country Garden – Hill Lake Palace (肇慶碧桂園•山湖城)	Zhaoqing (Gaoyao)	261,081	51%	261,081	256,879	256,879		28/Apr/13
61	Country Garden – Park Prime (碧桂園•公園1號)	Jiangmen (Heshan)	238,340	100%	159,121	156,564	156,564		30/Aug/12
62	Country Garden – Grand Garden (碧桂園•豪園)	Guangzhou (Zengcheng)	1,105,889	100%	861,256	782,072	778,657		19/Dec/14
63	Country Garden – Sunshine Coast (碧桂園•陽光水岸)	Jiangmen (Kaiping)	48,765	100%	48,765	48,493	48,493		15/Dec/10
64	Holiday Islands – Qingyuan (假日半島 – 清遠)	Qingyuan (Qingcheng)	435,667	100%	435,667	433,927	433,496		30/Nov/12
65	Country Garden Wonderland (碧桂園山水桃園)	Foshan (Nanhai)	144,508	100%	144,508	143,721	138,195		19/Jan/12
66	Dalang Country Garden (大朗碧桂園)	Dongguan (Dalang)	377,760	100%	377,760	367,943	364,407		17/May/13
67	Country Garden Grand Palace (碧桂園豪庭)	Guangzhou (Nansha)	167,152	100%	167,152	155,977	154,689		17/May/13

Properties under development						Properties for future development			
GFA under development <sup>(2)</sup>	Total saleable GFA under development <sup>(2)</sup>	Actual commencement date	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date	GFA for future development <sup>(2)</sup>	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
(sqm)	(sqm)		(sqm)			(sqm)			
204,777	198,611	24/Apr/14	43,466	25/Apr/14	2nd Quarter, 2016				
241,928	239,543	19/Sep/12	123,670	9/May/13	4th Quarter, 2016	1,196,848	2nd Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2019
929		28/Sep/11			3rd Quarter, 2015				
988,952	951,399	19/Jun/08	320,674	29/Sep/13	2nd Quarter, 2017	1,251,000	1st Quarter, 2015	4th Quarter, 2015	4th Quarter, 2018
615,548	586,651	27/Jun/08	180,878	29/Jul/13	2nd Quarter, 2016	673,848	1st Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2018
257,872	256,314	5/Aug/13	158,948	30/Aug/13	2nd Quarter, 2016	507,537	1st Quarter, 2015	3rd Quarter, 2015	3rd Quarter, 2018
167,308	163,984	11/Aug/08	59,730	13/Nov/13	4th Quarter, 2016	29,574	1st Quarter, 2015	4th Quarter, 2015	4th Quarter, 2016
180,199	174,156	6/Dec/13	58,460	6/Dec/13	4th Quarter, 2016	433,506	1st Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2018
						4,460	2nd Quarter, 2015	—	2nd Quarter, 2016
60,491	54,329	29/Jul/13	3,543	25/Mar/14	2nd Quarter, 2016	466,752	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2017
89,045	77,115	30/Apr/13	54,635	20/Aug/13	4th Quarter, 2015				
113,205		2/Jan/14		—	3rd Quarter, 2015				
294,496	287,998	24/Oct/11	200,532	28/Apr/13	4th Quarter, 2016	192,002	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
141,544	137,701	23/Apr/12	52,138	30/Apr/14	2nd Quarter, 2016	560,145	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2018
79,219	77,209	6/Feb/13	62,986	29/Nov/13	3rd Quarter, 2015				
119,407	112,868	29/Jul/13	26,244	30/Apr/14	2nd Quarter, 2016	125,226	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2016

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				Interest attributable to the Company	Completed GFA <sup>(1)</sup>	Total completed saleable GFA <sup>(1)</sup>	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date
			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
68	Huajiang Country Garden (懷集碧桂園)	Zhaoqing (Huajiang)	242,428	100%	239,380	235,702	225,607	3,789	23/Dec/14
69	Country Garden City Garden (碧桂園城市花園)	Foshan (Chancheng)	450,726	90%	450,448	435,803	400,320	7,200	6/Dec/13
70	Country Garden Grand Palace (碧桂園豪庭)	Foshan (Shunde)	369,867	100%	369,867	365,179	365,018	161	21/Nov/12
71	Deqing Country Garden (德慶碧桂園)	Zhaoqing (Deqing)	195,731	100%	195,731	192,358	192,183		30/May/13
72	Yunfu Country Garden (雲浮碧桂園)	Yunfu (Jinshan)	524,037	100%	313,279	265,066	265,066		31/Dec/14
73	Beiliu Country Garden (北流碧桂園)	Yulin (Beiliu)	424,954	100%	244,004	238,183	231,045	6,185	30/Apr/14
74	Jianghai Country Garden (江海碧桂園)	Jiangmen (Jianghai)	496,843	100%	263,274	252,811	252,218		6/Jun/14
75	Xinhui Country Garden – Phase Four (新會碧桂園 – 四期)	Jiangmen (Xinhui)	609,379	100%	401,179	396,983	396,763	220	30/Jun/14
76	Country Garden City Garden (碧桂園城市花園)	Maoming (Dianbai)	1,430,656	100%	233,440	230,901	225,052	2,304	11/Oct/14
77	Country Garden – Ten Miles Beach (碧桂園 • 十里銀灘)	Huizhou (Huidong)	5,131,935	100%	1,288,249	1,219,803	1,102,205	62,580	25/Dec/14
78	Country Garden Spring City (碧桂園清泉城)	Qingyuan (Fogang)	696,640	100%	303,018	302,020	277,799	7,502	29/Oct/14
79	Country Garden Grand Lake (碧桂園秀麗湖)	Zhongshan (Wuguishan)	79,849	100%	79,849	74,534	63,451		31/Oct/12
80	Country Garden – Phoenix City (碧桂園 • 鳳凰城)	Zhenjiang (Jurong)	5,277,357	100%	1,425,906	1,389,192	1,161,057	546	30/Dec/14
81	Country Garden – Europe City (碧桂園 • 歐洲城)	Chuzhou (Nanqiao)	1,137,594	100%	664,428	649,733	466,034	6,008	28/Oct/14
82	Fengkai Country Garden (封開碧桂園)	Zhaoqing (Fengkai)	183,536	100%	183,536	176,177	165,388		15/Aug/14
83	Country Garden Grand Garden (碧桂園)	Shenyang (Qipanshan)	109,846	100%	96,183	95,292	44,186	2,083	14/Aug/14
84	Haifeng Country Garden (海豐碧桂園)	Shanwei (Haifeng)	341,067	100%	327,103	320,687	313,305	498	27/Jun/14
85	Hangzhou Country Garden (杭州碧桂園)	Hangzhou (Xiasha)	184,362	100%	184,362	180,353	101,312	7,950	26/Jun/14
86	Country Garden Triumph Palace (碧桂園凱旋華庭)	Wuxi (Xishan)	301,550	100%	177,356	170,608	153,605		29/Oct/13
87	Country Garden – Hill Lake Grand Palace (碧桂園 • 山水豪庭)	Jiangmen (Heshan)	721,362	80%	193,335	187,584	178,699	167	29/Aug/14
88	Xiangtan Country Garden (湘潭碧桂園)	Xiangtan (Xiangtan)	528,812	100%	305,653	282,968	193,496	6,757	29/Sep/14
89	Ronggui Country Garden (容桂碧桂園)	Foshan (Shunde)	302,061	100%	302,061	292,523	129,965	52,738	31/Jul/14
90	Country Garden – City Garden (碧桂園 • 城市花園)	Chuzhou (Laiian)	1,581,248	100%	663,307	649,854	549,429	8,276	15/Dec/14

Properties under development						Properties for future development			
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(sqm)	(sqm)		(sqm)			(sqm)			
3,048		27/Mar/13		—	4th Quarter, 2015				
278		2/Sep/11		—	2nd Quarter, 2015				
210,758	196,732	18/Jun/13	190,591	3/Sep/13	2nd Quarter, 2016				
115,221	113,554	21/Oct/11	57,609	17/Jul/13	3rd Quarter, 2016	65,729	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016
227,969	219,135	9/Sep/13	90,421	6/Dec/13	4th Quarter, 2016	5,600	2nd Quarter, 2015	—	4th Quarter, 2016
80,825	73,655	18/Apr/14	53,165	22/Aug/14	4th Quarter, 2016	127,375	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
345,254	342,125	31/Dec/11	209,461	4/Jul/13	2nd Quarter, 2016	851,962	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2018
1,998,120	1,908,526	14/Jun/11	874,531	23/Mar/12	4th Quarter, 2016	1,845,566	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2018
393,622	391,786	16/Aug/13	9,582	10/Apr/14	2nd Quarter, 2017				
1,275,551	1,112,365	21/Sep/11	466,085	5/Jul/13	3rd Quarter, 2017	2,575,900	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2019
319,464	310,521	19/Nov/10	80,120	17/Jan/14	3rd Quarter, 2016	153,702	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2016
3,441	3,441	12/Apr/11	364	8/Jul/11	4th Quarter, 2015	10,222	2nd Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2016
13,964		17/Oct/13		—	2nd Quarter, 2015				
124,194	117,460	16/Oct/12	104,988	27/Dec/12	3rd Quarter, 2015				
52,222	49,849	31/Oct/13	14,210	29/Sep/14	4th Quarter, 2015	475,805	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
89,137	83,720	26/Jun/13	38,389	26/Sep/13	4th Quarter, 2015	134,022	2nd Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2017
686,388	654,493	18/Mar/13	416,574	18/May/13	3rd Quarter, 2016	231,553	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2016

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			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
91	Country Garden – Dongjiang Phoenix City (碧桂園 • 東江鳳凰城)	Heyuan (Yuancheng)	934,077	100%	512,824	461,794	436,682	455	24/Sep/14
92	Meijiang Country Garden (梅江碧桂園)	Meizhou (Meijiang)	864,900	100%	573,522	555,705	461,449	32,344	31/Dec/14
93	Country Garden Grand Garden (碧桂園豪園)	Dongguan (Tangxia)	292,154	70%	287,655	268,630	265,634	2,608	29/Dec/14
94	Shilou Country Garden (石樓碧桂園)	Guangzhou (Panyu)	170,489	100%	142,149	134,874	101,998	5,360	26/Jun/14
95	Country Garden – Jade Bay (碧桂園 • 翡翠灣)	Jiangmen (Kaiping)	879,688	100%	311,583	306,228	291,841	2,135	30/May/14
96	Zhangjiajie Country Garden (張家界碧桂園)	Zhangjiajie (Yongding)	265,238	100%	54,492	30,723	4,361	1,323	9/May/14
97	Country Garden – Wonderland (碧桂園 • 山水桃園)	Changsha (Ningxiang)	119,676	100%	119,676	116,983	69,239	6,925	24/Dec/14
98	Country Garden Forest Hill Garden (碧桂園天麓山花園)	Dongguan (Tangxia)	539,988	100%	304,911	274,835	274,140		29/Oct/14
99	Shejiang Country Garden (甌江碧桂園)	Meizhou (Meixian)	236,337	100%	42,479	42,222	16,620		15/Jun/13
100	Country Garden Hill Lake City (碧桂園山湖城)	Qingyuan (Qingcheng)	1,339,101	100%	283,694	277,549	222,211	12,219	30/Dec/14
101	Country Garden – Eco City (碧桂園 • 生態城)	Wuhan (Hongshan)	834,160	55%	415,901	409,711	333,337	57,319	30/Dec/14
102	Country Garden – Jade Hill (碧桂園 • 翡翠山)	Chenzhou (Suxian)	470,837	100%	227,518	227,289	211,115	1,685	18/Dec/14
103	Country Garden Hill Lake Bay (碧桂園山湖灣)	Guangzhou (Nansha)	514,560	100%	369,786	362,677	299,910	26,333	19/Dec/14
104	Country Garden – Phoenix City (碧桂園 • 鳳凰城)	Ji'nan (Zhangqiu)	625,534	100%	289,289	277,364	188,299	5,288	30/Oct/14
105	Country Garden – Seashore City (碧桂園 • 濱海城)	Tianjin (Binhai New Area)	121,041	100%	54,883	53,771	53,198	91	27/May/14
106	Country Garden – Palm City (碧桂園 • 椰城)	Wenchang (Tanni)	133,096	100%	48,796	40,225	38,768	152	18/Nov/13
107	Country Garden – Hill Lake Bay (碧桂園 • 山湖灣)	Jiangmen (Xinhui)	321,764	100%	133,514	123,307	117,415		25/Sep/13
108	Pingguo Country Garden (平果碧桂園)	Baise (Pingguo)	204,574	100%	99,685	90,849	84,670		29/May/14
109	Country Garden Holiday Islands (碧桂園假日半島)	Ezhou (Wutonghu)	231,372	51%					
110	Country Garden Zishan Lake (碧桂園梓山湖)	Xianning (Xian'an)	893,181	51%	178,245	167,677	152,454	3,487	26/Dec/14
111	Qianjiang Country Garden (黔江碧桂園)	Chongqing (Qianjiang)	569,278	100%	184,869	182,869	136,841	1,311	27/Nov/14
112	Country Garden – Jade Bay (碧桂園 • 翡翠灣)	Meizhou (Jiaoling)	414,411	100%	255,949	237,596	233,038	2,373	23/Dec/14



Properties under development						Properties for future development			
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(sqm)	(sqm)		(sqm)			(sqm)			
307,480	296,498	27/Mar/13	232,636	29/Sep/13	2nd Quarter, 2016	113,773	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2016
224,343	215,867	11/May/12	165,658	27/Sep/13	4th Quarter, 2015	67,035	1st Quarter, 2015	2nd Quarter, 2015	3rd Quarter, 2016
4,499		19/Mar/12		—	4th Quarter, 2015				
4,340		29/Dec/12		—	3rd Quarter, 2015	24,000	2nd Quarter, 2015	—	2nd Quarter, 2016
179,278	173,462	7/Dec/12	114,113	30/Jul/13	3rd Quarter, 2015	388,827	1st Quarter, 2015	1st Quarter, 2015	4th Quarter, 2017
90,269	89,483	19/Apr/13	529	14/May/13	2nd Quarter, 2016	120,477	3rd Quarter, 2015	1st Quarter, 2016	4th Quarter, 2017
235,077	225,049	21/Mar/12	183,907	26/Sep/13	3rd Quarter, 2016				
223		15/Nov/11		—	2nd Quarter, 2015	193,635	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016
436,740	432,876	28/Jan/14	109,158	29/Jan/14	4th Quarter, 2016	618,667	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2017
382,033	359,722	4/Sep/12	358,580	18/Sep/13	4th Quarter, 2015	36,226	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2016
243,319	236,376	15/Feb/12	137,793	17/Sep/13	2nd Quarter, 2016				
144,774	137,535	22/Sep/13	120,743	27/Sep/13	4th Quarter, 2015				
3,621		30/Jul/12		—	4th Quarter, 2015	332,624	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
66,158	60,420	26/Jun/13	46,472	30/Aug/13	4th Quarter, 2015				
46,871	45,551	29/Sep/14	2,002	20/Oct/14	2nd Quarter, 2016	37,429	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2016
188,250	185,845	19/Apr/13	30,976	15/Sep/13	4th Quarter, 2016				
35,615	35,428	15/Mar/14	625	31/Oct/14	2nd Quarter, 2016	69,274	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016
72,148	72,148	23/Jul/14	18,494	20/Aug/14	3rd Quarter, 2016	159,224	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017
50,893	50,343	18/Oct/13	7,035	1/Nov/13	4th Quarter, 2016	664,043	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2018
7,642	7,642	11/Dec/14	2,147	11/Dec/14	4th Quarter, 2015	376,767	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
75,392	74,139	27/Apr/13	59,547	1/Apr/13	2nd Quarter, 2016	83,070	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016

Serial number	Project	City (District)	Aggregate GFA for entire project	Completed property developments					
				Interest attributable to the Company	Completed GFA <sup>(1)</sup>	Total completed saleable GFA <sup>(1)</sup>	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date
			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
113	Country Garden Times City (碧桂園時代城)	Dongguan (Tangxia)	123,504	51%	123,504	119,324	119,129		31/Dec/13
114	Wuhan Country Garden Phase Three (武漢碧桂園三期)	Wuhan (Hannan)	594,460	52%	200,667	198,358	57,304	10,579	31/Jul/14
115	Country Garden Spring Town (碧桂園小城之春)	Lin'gao (Lin'gao)	37,375	51%	37,375	36,363	27,274	813	29/Oct/13
116	Country Garden – Golden Beach (碧桂園•金沙灘)	Lin'gao (Lin'gao)	465,441	51%	261,271	251,177	186,152	26,149	26/Nov/14
117	Rudong Country Garden (如東碧桂園)	Nantong (Rudong)	227,382	100%	126,834	122,312	94,579	4,079	18/Nov/14
118	Dianjiang Country Garden (墊江碧桂園)	Chongqing (Dianjiang)	353,497	100%	44,423	44,350	37,826	814	13/Jun/14
119	Yixing Country Garden (宜興碧桂園)	Wuxi (Yixing)	204,900	100%	168,189	161,870	84,557	4,005	9/May/14
120	Danyang Country Garden (丹陽碧桂園)	Zhenjiang (Danyang)	481,361	100%	270,198	260,564	218,240	8,461	17/Oct/14
121	Country Garden Spring City – Phase Two (碧桂園清泉城 – 二期)	Qingyuan (Fogang)	278,664	95%	145,052	141,823	113,586	10,793	28/Aug/14
122	Xuancheng Country Garden (宣城碧桂園)	Xuancheng (Xuanzhou)	347,870	100%	27,551	27,437	24,532	2,495	15/May/14
123	Jingjiang Country Garden (靖江碧桂園)	Taizhou (Jingjiang)	308,762	100%					
124	Jiangyin Country Garden (江陰碧桂園)	Wuxi (Jiangyin)	68,819	100%	68,819	65,982	60,644	2,434	19/Dec/14
125	Rugao Country Garden (如皋碧桂園)	Nantong (Rugao)	185,750	100%					
126	Country Garden – Ten Miles Golden Beach (碧桂園•十里金灘)	Yantai (Haiyang)	1,616,220	90%	50,764	44,721	5,099	27,970	26/Dec/14
127	Wuhua Country Garden (五華碧桂園)	Meizhou (Wuhua)	219,983	100%	34,823	31,154	30,649		25/Jun/14
128	Yongchun Country Garden (永春碧桂園)	Quanzhou (Yongchun)	533,022	100%	123,926	114,781	76,390	4,527	30/Oct/14
129	Xingning Country Garden (興寧碧桂園)	Meizhou (Xingning)	218,727	100%	203,032	192,973	192,973		19/Dec/14
130	Yichun Country Garden (宜春碧桂園)	Yichun (Yuanzhou)	431,920	100%					
131	Country Garden – Forest Lake (碧桂園•天麓湖)	Jiangmen (Heshan)	845,231	100%					
132	Country Garden – Riverside City (碧桂園•江灣城)	Huanggang (Xishui)	600,865	100%	196,240	195,385	177,959	16,670	10/Dec/14
133	Country Garden – City Garden (碧桂園•城市花園)	Yunfu (Yuncheng)	403,979	100%	138,893	130,018	50,614	53,416	12/Dec/14
134	Country Garden Airport Plaza (碧桂園空港廣場)	Guangzhou (Huadu)	114,982	100%	114,982	105,967	67,340	4,514	30/Oct/14
135	Country Garden – Jade Bay (碧桂園•翡翠灣)	Weifang (Linqu)	140,575	51%					

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(sqm)	(sqm)		(sqm)			(sqm)			
						393,793	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2017
204,170	191,076	26/Jul/13	175,712	1/Aug/13	2nd Quarter, 2015				
100,548	98,708	19/Aug/13	43,564	30/Sep/13	4th Quarter, 2015				
309,074	292,627	7/Feb/13	226,814	7/Feb/13	4th Quarter, 2015				
36,711	36,485	12/Sep/13	13,606	30/Sep/13	3rd Quarter, 2015				
211,163	203,367	9/Jun/13	149,879	18/Jun/13	4th Quarter, 2015				
50,582	50,582	15/Nov/14	13,593	21/Nov/14	2nd Quarter, 2016	83,030	1st Quarter, 2015	4th Quarter, 2015	4th Quarter, 2016
312,533	299,004	4/May/13	278,947	27/Aug/13	4th Quarter, 2015	7,786	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2016
308,762	289,983	9/Jun/13	211,026	18/Sep/13	4th Quarter, 2015				
185,750	184,137	29/Jun/13	82,849	18/Sep/13	4th Quarter, 2015				
972,812	964,100	4/Jul/13	412,416	12/Jul/13	2nd Quarter, 2016	592,644	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2017
184,845	184,845	26/Jul/13	184,845	13/Aug/13	4th Quarter, 2015	315	2nd Quarter, 2015	—	4th Quarter, 2015
70,580	67,157	31/May/13	56,645	13/Sep/13	1st Quarter, 2015	338,516	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016
15,519	14,338	30/Sep/14	14,338	25/Nov/14	1st Quarter, 2016	176	2nd Quarter, 2015	—	1st Quarter, 2016
431,920	424,619	31/Jul/13	231,795	2/Aug/13	2nd Quarter, 2016				
110,424	107,696	16/Dec/13	43,260	19/Feb/14	4th Quarter, 2015	734,807	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2018
169,515	160,640	8/Jun/13	76,134	26/Sep/13	4th Quarter, 2016	235,110	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017
173,571	164,447	30/Jul/13	30,032	22/Nov/13	4th Quarter, 2016	91,515	2nd Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2017
140,575	135,875	15/Nov/13	48,211	31/Dec/13	2nd Quarter, 2016				

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			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
136	Quzhou Country Garden (衢州碧桂園)	Quzhou (Donggang)	299,405	100%	69,079	65,960	54,542	2,469	24/Jul/14
137	Guangyuan Country Garden (廣元碧桂園)	Guangyuan (Lizhou)	389,683	100%	28,950	28,950	27,601	248	20/Oct/14
138	Lanzhou Country Garden (蘭州碧桂園)	Lanzhou (Chengguan)	717,516	100%	43,103	37,585	31,532		14/Oct/14
139	Nan'an Country Garden (南安碧桂園)	Quanzhou (Nan'an)	131,993	100%	49,402	46,258	41,982	3,916	17/Dec/14
140	Zibo Country Garden (濰博碧桂園)	Zibo (Zhoucun)	554,148	100%	107,374	103,538	69,468	9,434	22/Dec/14
141	Country Garden Phoenix City (碧桂園鳳凰城)	Maoming (Gaozhou)	344,134	100%					
142	Huaxi Country Garden (花溪碧桂園)	Guiyang (Huaxi)	681,979	100%	76,222	68,956	31,528	3,817	26/Dec/14
143	Country Garden – Jade City (碧桂園•翡翠城)	Chongqing (Bishan)	376,982	100%	44,432	44,432	14,274	6,999	19/Sep/14
144	Nanchong Country Garden (南充碧桂園)	Nanchong (Jialing)	514,815	100%	65,300	63,217	1,051	55,543	25/Dec/14
145	Zhujia Country Garden (諸暨碧桂園)	Shaoxing (Zhujia)	135,163	51%					
146	Tonglu Country Garden (桐廬碧桂園)	Hangzhou (Tonglu)	120,974	100%					
147	Lu'an Country Garden (六安碧桂園)	Lu'an (Yu'an)	797,269	100%					
148	Changping Country Garden (常平碧桂園)	Dongguan (Changping)	105,119	100%					
149	Sanming Country Garden (三明碧桂園)	Sanming (Meilie)	493,812	100%					
150	Country Garden – River Pearl (碧桂園•清江明珠)	Yichang (Yidu)	134,187	55%	42,606	39,350	20,501	1,238	9/Dec/14
151	Gaochun Country Garden (高淳碧桂園)	Nanjing (Gaochun)	419,957	100%	29,818	25,817	23,394	236	29/Dec/14
152	Wendeng Country Garden (文登碧桂園)	Weihai (Wendeng)	37,376	100%					
153	Pingxiang Country Garden (萍鄉碧桂園)	Pingxiang (Anyuan)	215,091	100%	55,415	51,038	22,638	2,578	15/Dec/14
154	Hengyang Country Garden (衡陽碧桂園)	Hengyang (Yanfeng)	440,667	51%					
155	Zoucheng Country Garden (鄒城碧桂園)	Zoucheng (Taiping)	306,980	100%					
156	Nantong Country Garden (南通碧桂園)	Nantong (Chengnan)	185,074	100%	36,282	36,108	22,146	3,481	30/Dec/14
157	Penglai Country Garden (蓬萊碧桂園)	Yantai (Penglai)	408,473	100%					
158	Anyang Country Garden (安陽碧桂園)	Anyang (Tangyin)	134,196	100%					

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(sqm)	(sqm)		(sqm)			(sqm)				
230,326	227,003	18/Sep/13	183,057	5/Oct/13	4th Quarter, 2016					
360,733	346,703	26/Sep/13	139,010	30/Sep/13	2nd Quarter, 2016					
600,203	599,870	29/Oct/13	554,294	22/Sep/13	4th Quarter, 2016	74,210	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017	
82,591	79,969	28/Nov/13	67,807	29/Nov/13	2nd Quarter, 2016					
324,867	317,203	17/Sep/13	130,664	11/Oct/13	2nd Quarter, 2017	121,907	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2017	
344,134	333,652	17/Sep/13	251,910	3/Dec/13	4th Quarter, 2016					
488,160	441,604	29/Oct/13	256,952	9/Nov/13	3rd Quarter, 2016	117,597	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017	
228,108	222,174	13/Dec/13	18,552	10/Dec/13	4th Quarter, 2016	104,442	2nd Quarter, 2015	4th Quarter, 2015	3rd Quarter, 2017	
449,515	437,209	18/Dec/13	254,935	24/Dec/13	2nd Quarter, 2016					
135,163	132,104	9/Dec/13	34,493	25/Dec/13	4th Quarter, 2016					
120,974	118,596	30/Nov/13	88,269	8/Jan/14	4th Quarter, 2015					
797,269	771,466	27/Dec/13	447,166	21/Jan/14	2nd Quarter, 2017					
105,119	91,401	24/Jan/14	88,222	6/Jun/14	4th Quarter, 2015					
486,465	466,926	27/Jan/14	222,221	29/Jan/14	2nd Quarter, 2016	7,347	2nd Quarter, 2015	—	2nd Quarter, 2016	
91,581	91,028	30/Sep/13	84,593	15/Jan/14	4th Quarter, 2015					
313,959	301,682	22/Nov/13	181,058	20/Dec/13	4th Quarter, 2016	76,180	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017	
37,376	33,607	21/Mar/14	5,831	9/Apr/14	4th Quarter, 2015					
159,676	156,800	28/Nov/13	50,226	18/Apr/14	2nd Quarter, 2016					
440,667	428,820	26/Dec/13	283,688	20/Dec/13	4th Quarter, 2016					
306,980	299,495	9/May/14	49,825	22/May/14	3rd Quarter, 2017					
148,792	141,704	18/Dec/13	134,710	7/Jan/14	4th Quarter, 2015					
206,603	201,724	9/May/14	61,140	15/May/14	2nd Quarter, 2017	201,870	2nd Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2017	
134,196	128,472	29/Apr/14	38,301	5/May/14	4th Quarter, 2016					

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			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
159	Zhoukou Country Garden (周口碧桂園)	Zhoukou (Dongxin)	516,775	51%					
160	Daye Country Garden (大冶碧桂園)	Huangshi (Daye)	307,833	100%					
161	Ningde Country Garden (寧德碧桂園)	Ningde (Jiaocheng)	185,773	55%					
162	Country Garden – Phoenix City 「Wuzhou」 (碧桂園•鳳凰城「梧州」)	Wuzhou (Cangwu)	373,485	80%	53,953	53,719	24,093		15/Nov/14
163	Qujing Country Garden (曲靖碧桂園)	Qujing (Qilin)	329,074	100%					
164	Qishi Dingfeng Country Garden (企石鼎峰碧桂園)	Dongguan (Qishi)	119,427	55%					
165	Qian'an Country Garden (遷安碧桂園)	Tangshan (Qian'an)	408,697	90%					
166	Baoying Country Garden (寶應碧桂園)	Yangzhou (Baoying)	291,718	100%					
167	Country Garden – Phoenix City (碧桂園•鳳凰城)	Yichun (Yuanzhou)	103,770	100%					
168	Luoyang Country Garden (洛陽碧桂園)	Luoyang (Yibin)	431,983	51%					
169	Wuyishan Country Garden (武夷山碧桂園)	Nanping (Wuyishan)	161,717	100%					
170	Fengshun Country Garden (豐順碧桂園)	Meizhou (Fengshun)	429,228	100%					
171	Dongtai Country Garden (東台碧桂園)	Yancheng (Dongtai)	274,333	100%					
172	Country Garden – South Lake Bay (碧桂園•南湖灣)	Xuzhou (Jiawang)	29,313	100%					
173	Haining Country Garden (海寧碧桂園)	Jiaxing (Haining)	156,877	100%					
174	Huangjiang Country Garden (黃江碧桂園)	Dongguan (Huangjiang)	237,701	100%					
175	Cixi Country Garden (慈溪碧桂園)	Ningbo (Cixi)	223,553	100%					
176	Pinghu Country Garden (平湖碧桂園)	Jiaxing (Pinghu)	126,293	70%					
177	Suqian Country Garden (宿遷碧桂園)	Suqian (Susu Industrial Zone)	220,930	100%					
178	Jiujiang Country Garden (九江碧桂園)	Jiujiang (Jiujiang)	345,068	100%					
179	Wenzhou Country Garden (溫州碧桂園)	Wenzhou (Longwan)	143,573	100%					
180	Country Garden – Cullinan Bay (碧桂園•天靈灣)	Nantong (Tongzhou)	375,597	100%					
181	Country Garden Triumph Palace District C (碧桂園凱旋華庭C區)	Wuxi (Xishan)	179,849	100%					
182	Country Garden – Lanjiang Mansion (碧桂園•瀾江華府)	Lin'gao (Lincheng)	137,453	51%					

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(sqm)	(sqm)		(sqm)			(sqm)			
453,704	441,723	10/Mar/14	125,213	20/Mar/14	4th Quarter, 2016	63,071	2nd Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2017
307,833	306,164	27/Mar/14	222,507	30/Apr/14	4th Quarter, 2016				
185,773	177,152	8/Jul/14	50,445	18/Jul/14	4th Quarter, 2016				
132,488	132,053	4/Jul/13	3,409	16/Sep/14	4th Quarter, 2016	187,044	2nd Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2017
135,102	130,957	23/May/14	80,026	13/Jun/14	2nd Quarter, 2016	193,972	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
119,427	106,109	17/Apr/14	85,730	28/Aug/14	4th Quarter, 2015				
248,551	242,085	26/Mar/14	41,977	7/May/14	2nd Quarter, 2017	160,146	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2017
290,708	272,226	31/Dec/13	165,934	25/Mar/14	2nd Quarter, 2016	1,010	1st Quarter, 2015	–	2nd Quarter, 2016
103,770	102,599	28/Mar/14	45,769	18/Apr/14	4th Quarter, 2015				
182,472	177,666	15/May/14	89,590	16/Jun/14	4th Quarter, 2016	249,511	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
161,235	155,915	30/Jun/14	102,089	15/Aug/14	4th Quarter, 2016	482	2nd Quarter, 2015	–	2nd Quarter, 2016
429,228	411,698	24/Apr/14	339,655	9/May/14	4th Quarter, 2016				
274,333	262,778	28/Mar/14	21,403	30/Apr/14	2nd Quarter, 2016				
29,313	28,865	5/Sep/14	175	24/Sep/14	2nd Quarter, 2016				
156,877	153,026	13/Mar/14	49,585	27/Jun/14	4th Quarter, 2016				
237,701	219,953	25/Jun/14	83,422	30/Sep/14	4th Quarter, 2016				
223,553	215,815	17/Jan/14	71,203	18/Jul/14	4th Quarter, 2016				
126,293	124,130	16/Jun/14	34,625	3/Sep/14	4th Quarter, 2016				
128,163	124,447	14/Mar/14	35,758	11/Jul/14	4th Quarter, 2016	92,767	2nd Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2017
306,659	293,145	23/May/14	37,034	30/May/14	4th Quarter, 2017	38,409	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2017
143,573	138,246	12/May/14	101,397	22/Sep/14	1st Quarter, 2016				
333,423	316,706	28/Mar/14	105,946	11/Jul/14	2nd Quarter, 2017	42,174	1st Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2017
179,849	171,052	18/Dec/13	125,247	20/Dec/13	2nd Quarter, 2016				
38,003	36,633	25/Oct/14	7,388	4/Nov/14	2nd Quarter, 2016	99,450	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016

Serial number	Project	City (District)	Aggregate GFA for entire project	Completed property developments					
				Interest attributable to the Company	Completed GFA <sup>(1)</sup>	Total completed saleable GFA <sup>(1)</sup>	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date
			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
183	Dafeng Country Garden (大豐碧桂園)	Yancheng (Dafeng)	140,215	100%					
184	Qingdao Country Garden (青島碧桂園)	Qingdao (Chengyang)	376,194	100%					
185	Country Garden – City Garden (碧桂園 • 城市花園)	Shaoxing (Zhujia)	372,746	51%					
186	Country Garden – Parklane Bay (碧桂園 • 柏麗灣)	Dongguan (Shatian)	237,431	50%	237,431	229,373	219,289		7/Jul/14
187	Qinzhou Country Garden (欽州碧桂園)	Qinzhou (Qinbei)	175,851	100%					
188	Renhuai Country Garden (仁懷碧桂園)	Zunyi (Renhuai)	73,036	100%					
189	Country Garden – Grand Palace (碧桂園 • 豪庭)	Dongguan (Dongkeng)	127,535	100%					
190	Guangning Country Garden (廣寧碧桂園)	Zhaoqing (Guangning)	230,162	100%					
191	Liyang Country Garden (深陽碧桂園)	Changzhou (Liyang)	90,414	85%					
192	Fuding Country Garden (福鼎碧桂園)	Ningde (Fuding)	252,445	100%					
193	Yizheng Country Garden (儀徵碧桂園)	Yangzhou (Yizheng)	204,496	100%					
194	Country Garden – Egret Bay (碧桂園 • 白鷺灣)	Wuxi (Jiangyin)	239,156	100%					
195	Haiyan Country Garden (海鹽碧桂園)	Jiaxing (Haiyan)	227,743	100%					
196	Country Garden – Longines Bay (碧桂園 • 浪琴灣)	Putian (Bei'an)	650,851	100%					
197	Zhuzhou Country Garden (株洲碧桂園)	Zhuzhou (Yunlong)	186,426	100%					
198	Taian Country Garden (泰安碧桂園)	Taian (Daiyue)	140,268	100%					
199	Hengli Country Garden (橫瀝碧桂園)	Dongguan (Hengli)	245,807	100%					
200	Deyang Country Garden (德陽碧桂園)	Deyang (Jingyang)	254,324	100%					
201	Xuzhou Country Garden (徐州碧桂園)	Xuzhou (Quanshan)	190,719	100%					
202	Country Garden – City Garden (碧桂園 • 城市花園)	Lanzhou (Xinqu)	224,128	100%					
203	Zhangpu Country Garden (漳浦碧桂園)	Zhangzhou (Zhangpu)	312,413	51%					
204	Zhangjiagang Country Garden (張家港碧桂園)	Suzhou (Zhangjiagang)	366,121	100%					
205	Country Garden – Grand Palace – Phase Two (碧桂園 • 豪庭二期)	Dongguan (Dongkeng)	188,178	100%					



Properties under development							Properties for future development				
GFA under development <sup>(2)</sup>	Total saleable GFA under development <sup>(2)</sup>	Actual commencement date	Total saleable GFA pre-sold	Actual/Estimated pre-sale commencement date	Estimated completion date		GFA for future development <sup>(3)</sup>	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date	
(sqm)	(sqm)		(sqm)				(sqm)				
140,215	135,735	29/Apr/14	57,047	16/May/14	2nd Quarter, 2016						
230,296	228,391	7/Aug/14	114,165	29/Aug/14	4th Quarter, 2016	145,898	1st Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2017		
114,921	107,966	17/Jun/14	40,979	16/Jul/14	2nd Quarter, 2016	257,825	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017		
64,182	60,283	1/Sep/14	41,291	30/Sep/14	4th Quarter, 2015	111,669	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016		
73,036	72,886	17/May/14	51,239	7/Aug/14	2nd Quarter, 2016						
127,535	120,186	7/Aug/14	33,816	21/Nov/14	4th Quarter, 2016						
230,162	221,947	11/Sep/14	27,586	29/Sep/14	2nd Quarter, 2017						
90,414	86,025	26/Jun/14	53,603	18/Jul/14	2nd Quarter, 2016						
252,445	240,826	24/Jul/14	30,664	19/Sep/14	4th Quarter, 2016						
204,496	195,645	5/Jun/14	24,064	13/Jun/14	4th Quarter, 2016						
						239,156	1st Quarter, 2015	1st Quarter, 2015	4th Quarter, 2017		
63,479	61,639	16/Sep/14	16,866	30/Sep/14	4th Quarter, 2016	164,264	1st Quarter, 2015	2nd Quarter, 2015	3rd Quarter, 2017		
249,801	244,655	5/Oct/14	228,295	13/Oct/14	4th Quarter, 2016	401,050	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017		
171,340	171,340	21/Aug/14	82,832	18/Sep/14	4th Quarter, 2016	15,086	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016		
53,500	53,103	6/Aug/14	10,326	29/Aug/14	4th Quarter, 2016	86,768	2nd Quarter, 2015	4th Quarter, 2015	3rd Quarter, 2017		
188,397	182,328	4/Aug/14	62,977	7/Nov/14	4th Quarter, 2016	57,410	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016		
115,112	111,011	25/Jun/14	42,491	11/Jul/14	4th Quarter, 2016	139,212	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017		
184,437	172,879	19/Aug/14	23,577	29/Sep/14	3rd Quarter, 2016	6,282	1st Quarter, 2015	2nd Quarter, 2015	3rd Quarter, 2016		
224,128	212,209	1/Jul/14	20,666	9/Jul/14	4th Quarter, 2017						
312,413	301,573	24/Jul/14	111,192	25/Jul/14	4th Quarter, 2016						
100,254	96,596	4/Dec/14	34,095	12/Dec/14	2nd Quarter, 2017	265,867	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017		
188,178	174,618	8/Oct/14		1st Quarter, 2015	4th Quarter, 2016						

Serial number	Project	City (District)	Aggregate GFA for entire project	Completed property developments					
				Interest attributable to the Company	Completed GFA <sup>(1)</sup>	Total completed saleable GFA <sup>(1)</sup>	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date
			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
206	Daliang Country Garden (大良碧桂園)	Foshan (Shunde)	177,209	100%					
207	Country Garden – City Garden (碧桂園 • 城市花園)	Guangzhou (Zengcheng)	463,496	100%					
208	Country Garden – Zhongxin Mansion (碧桂園 • 中新首府)	Guangzhou (Zengcheng)	81,634	100%					
209	Country Garden – Dragon Lake (碧桂園 • 龍遊湖)	Nantong (Rugao)	346,468	100%					
210	Baicheng Country Garden (白城碧桂園)	Baicheng (Shengtai New Area)	341,126	100%					
211	Xinqiao Country Garden (新橋碧桂園)	Wuxi (Jiangyin)	135,970	100%					
212	Country Garden – Diamond Bay (碧桂園 • 鑽石灣)	Yangjiang (Jiangcheng)	140,900	100%					
213	Zhengzhou Country Garden (鄭州碧桂園)	Zhengzhou (Xingyang)	232,624	51%					
214	Yueyang Country Garden (岳陽碧桂園)	Yueyang (Lin'gang)	181,558	100%					
215	Country Garden – Jade Bay (碧桂園 • 翡翠灣)	Wuhu (Wuwei)	288,852	100%					
216	Suining Country Garden (睢寧碧桂園)	Xuzhou (Suining)	178,984	100%					
217	Qidong Country Garden (啟東碧桂園)	Nantong (Qidong)	253,090	100%					
218	Yancheng Country Garden (鹽城碧桂園)	Yancheng (Yandu)	121,409	100%					
219	Country Garden – Coral Palace (碧桂園 • 珊瑚宮殿)	Lingshui (Yingzhou)	183,033	55%					
220	Nanling Country Garden (南陵碧桂園)	Wuhu (Nanling)	325,975	100%					
221	Hechi Country Garden (河池碧桂園)	Hechi (Jinchengjiang)	241,717	100%					
222	Country Garden – Kowloon Bay (碧桂園 • 九龍灣)	Baoding (Laishui)	270,465	55%					
223	Xinxiang Country Garden (新鄉碧桂園)	Xinxiang (Weihui)	289,688	100%					
224	Meizhou City Shangping resettlement (梅州市梅江區上坪安置房)	Meizhou (Meijiang)	56,678	100%					
225	Country Garden Europe City (碧桂園歐洲城)	Ha'erbin (Pingfang)	221,419	100%					
226	Yuncheng Country Garden (運城碧桂園)	Yuncheng (Yanhu)	240,715	100%					
227	Country Garden – Lakeside City (碧桂園 • 濱湖城)	Huzhou (Wuxing)	207,791	100%					
228	Yichang Country Garden (宜昌碧桂園)	Yichang (Dianjun)	336,267	100%					

Properties under development						Properties for future development			
GFA under development <sup>(2)</sup>	Total saleable GFA under development <sup>(2)</sup>	Actual commencement date	Total saleable GFA pre-sold	Actual/ Estimated pre-sale commencement date	Estimated completion date	GFA for future development <sup>(3)</sup>	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
(sqm)	(sqm)		(sqm)			(sqm)			
133,914	128,231	25/Sep/14	52,790	24/Oct/14	4th Quarter, 2016	43,295	2nd Quarter, 2015	4th Quarter, 2015	2nd Quarter, 2017
121,727	118,878	30/Sep/14	68,141	24/Oct/14	4th Quarter, 2016	341,769	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
81,634	79,589	19/Sep/14	30,406	27/Oct/14	4th Quarter, 2016				
53,991	51,107	30/Sep/14	28,755	30/Sep/14	4th Quarter, 2016	292,477	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017
213,123	208,919	11/Jun/14	29,001	4/Jul/14	4th Quarter, 2016	128,003	2nd Quarter, 2015	4th Quarter, 2015	4th Quarter, 2017
135,970	126,329	22/Sep/14	41,495	20/Oct/14	3rd Quarter, 2016				
114,646	107,101	23/Oct/14	24,686	25/Dec/14	4th Quarter, 2016	26,254	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016
						232,624	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017
181,558	180,908	10/Jul/14	111,968	19/Sep/14	4th Quarter, 2016				
278,597	272,445	30/Jun/14	162,353	3/Sep/14	4th Quarter, 2016	10,255	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016
169,598	161,601	5/Sep/14	68,101	6/Sep/14	3rd Quarter, 2016	9,386	1st Quarter, 2015	1st Quarter, 2015	3rd Quarter, 2016
133,344	128,223	23/Sep/14	116,213	30/Sep/14	4th Quarter, 2016	119,746	1st Quarter, 2015	1st Quarter, 2015	2nd Quarter, 2017
52,986	51,427	24/Oct/14	19,857	10/Nov/14	3rd Quarter, 2016	68,423	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016
166,273	159,920	3/Nov/14	64,868	7/Nov/14	4th Quarter, 2016	16,760	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2016
289,597	286,847	4/Jul/14	153,566	29/Sep/14	4th Quarter, 2016	36,378	1st Quarter, 2015	4th Quarter, 2015	4th Quarter, 2016
170,617	166,031	29/Nov/14	98,110	8/Dec/14	4th Quarter, 2016	71,100	1st Quarter, 2015	2nd Quarter, 2015	2nd Quarter, 2017
95,032	95,032	17/Oct/14	77,560	17/Oct/14	4th Quarter, 2016	175,433	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
61,266	56,134	8/Dec/14	19,791	12/Dec/14	2nd Quarter, 2016	228,422	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
						56,678	1st Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2016
96,112	95,301	30/Sep/14	13,437	10/Oct/14	4th Quarter, 2016	125,307	2nd Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2017
79,442	78,715	11/Dec/14	6,654	12/Dec/14	4th Quarter, 2016	161,273	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
86,176	85,696	31/Oct/14	18,205	5/Dec/14	4th Quarter, 2016	121,615	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2017
251,274	245,758	22/Aug/14	124,404	11/Dec/14	2nd Quarter, 2017	84,993	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2017

Serial number	Project	City (District)	Aggregate GFA for entire project	Completed property developments					
				Interest attributable to the Company	Completed GFA <sup>(1)</sup>	Total completed saleable GFA <sup>(1)</sup>	Total saleable GFA sold and delivered	Total saleable GFA pre-sold pending delivery	Completion date
			(sqm)	(%)	(sqm)	(sqm)	(sqm)	(sqm)	
229	Lianzhou Country Garden (連州碧桂園)	Qingyuan (lianzhou)	209,470	70%					
230	Sihui Country Garden Grand Garden (四會碧桂園家園)	Zhaoqing (Sihui)	70,584	100%					
231	Country Garden – Times City (碧桂園•時代城)	Zhenjiang (Jurong)	46,538	90%					
232	Country Garden – Jade Bay (碧桂園•翡翠灣)	Dongguan (Qingxi)	127,075	100%					
233	Nanshan Country Garden (南山碧桂園)	Bijie (Qixingguanqu)	256,872	70%					
234	Country Garden – Hill Lake Palace (碧桂園•山湖城)	Jingmen (Shayang)	63,955	51%					
235	Serendah Project (雙文丹項目)	Selangor (Serendah)	293,771	55%					
236	Country Garden Diamond City (碧桂園鑽石城)	Selangor (Semenyih)	529,123	55%					
237	Country Garden Danga Bay (碧桂園金海灣)	Johor (Johor Bahru)	1,821,999	100%					
238	Ryde Garden (Sydney) (碧桂園悉尼萊德花園)	Sydney (Ryde)	68,061	100%					
Total:			139,585,710		58,746,330	55,972,277	51,167,979	934,236	

Notes:

1. Those are based on the surveying reports of relevant government departments.
2. Those are based on the actual measurements by the project management department of the Group.
3. “GFA for future development” for each project is the GFA expected to be built.

Properties under development						Properties for future development			
GFA under development <sup>(2)</sup>	Total saleable GFA under development <sup>(2)</sup>	Actual commencement date	Total saleable GFA pre-sold	Actual/ Estimated pre-sale commencement date	Estimated completion date	GFA for future development <sup>(2)</sup>	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
(sqm)	(sqm)		(sqm)			(sqm)			
77,835	77,631	9/Dec/14		1st Quarter, 2015	4th Quarter, 2016	131,635	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2017
70,584	66,227	23/Oct/14	32,873	26/Nov/14	4th Quarter, 2016				
						46,538	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2016
						127,075	1st Quarter, 2015	4th Quarter, 2015	4th Quarter, 2016
80,827	78,900	31/Dec/14		1st Quarter, 2015	2nd Quarter, 2016	176,045	1st Quarter, 2015	3rd Quarter, 2015	2nd Quarter, 2017
						63,955	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2016
						293,771	1st Quarter, 2015	3rd Quarter, 2015	4th Quarter, 2018
139,606	133,357	4/Jul/13	90,172	4/Sep/13	4th Quarter, 2016	389,517	1st Quarter, 2015	2nd Quarter, 2015	4th Quarter, 2019
1,821,999	1,023,001	4/Jul/13	461,097	6/Aug/13	3rd Quarter, 2017				
68,061	63,190		50,007	28/Jun/14	3rd Quarter, 2017				
42,424,368	39,662,921		19,051,693			38,415,012			

## Typical Country Garden Projects

### Country Garden – Ten Miles Beach

#### Huidong County, Huizhou City, Guangdong Province (100% attributable to the Company)

**Major Target Market:** Shenzhen City

Country Garden – Ten Miles Beach is located at Yapojiao District, Huidong, Huizhou. The project is only 15-minute drive from high-speed railway station connecting Shenzhen and Xiamen. There are shuttle buses available on site that links between Shenzhen and Hong Kong. Within one-hour travel distance circle of Shenzhen and Hong Kong, it can be regarded as the coastal satellite city for Shenzhen.



The project has a site area of approximately 1,883,631 sqm. with an expected GFA of approximately 5,131,935 sqm.

The project offers various types of products, including villas, condos and retails. It also has a hotel of five-star standard. Amenities including gymnasium, international kindergarten, community school, yacht marina, supermarket and health center are available to its residents.

Since its launch on 30 July 2011, the project has generated contracted sales of RMB14.5 billion. In 2011, it set a new daily sales record of RMB3.0 billion. In 2012, another new daily sales record of 3,300 units has been created. The project has generated a sales revenue of RMB4.63 billion in 2014.

### Fengshun Country Garden

#### Fengshun County, Meizhou City, Guangdong Province (100% attributable to the Company)

**Major Target market:** Meizhou City

Located in the center of Fengshun new town, the project is only five minute drive away from city's downtown, and it is also close to the entrance and exit of Shanmei Highway.



The project has a site area of approximately 284,524 sqm. with an expected GFA of approximately 429,228 sqm. The project offers various types of products, including villas, condos and retails. The project is surrounded by renowned institutions which provide access to quality educational resources. Amenities including supermarket, swimming pool, indoor thermostatic pool, Phoenix Club, community club are also available to its residents.

The project has generated a contracted sales of RMB1.92 billion in 2014. On its launch day, 24 May 2014, more than 1,600 units were sold, which set a new record high of property sales on a single day in Meizhou.

## Lanzhou Country Garden

### **Chengguan District, Lanzhou City, Gansu Province (100% attributable to the Company)**

**Major Target Market:** Lanzhou City

Lanzhou Country Garden is located in Chengguan District of Lanzhou City. It is a project backed by the local government, which provides great access to Yantan Economic Circle and shopping malls nearby.

The project has a site area of approximately 533,435 sqm, with a GFA of approximately 717,516 sqm. The project offers various types of products, including villas, condos and retails. Amenities including large community transportation center, five-star standard clubhouse, commercial street, kindergarten and Country Garden International School are also available to its residents.



The project has been endorsed by the mainstream media since its launch. For instance, The project was named the Most Influential Real Estate by Lanzhou Morning News, Role Model Community in Gansu by Lanzhou Evening News, the Most Popular Real Estate in Lanzhou by SouFun. The project has generated a contracted sales of RMB4.02 billion in 2014.

## Lu'an Country Garden

### **Yu'an District, Lu'an City, Anhui Province (100% attributable to the Company)**

**Major Target market:** Lu'an City

Lu'an Country Garden is located at Pihe Road East, Xin'an Bridge North, Yu'an District, close to the scenic resort of Pi river. And the project is only 4 km away from the downtown.

The project has a site area of approximately 363,432 sqm, with an expected GFA of approximately 797,269 sqm. The project offers various types of products including villas, condos and retails. Amenities including a five-star high-end clubhouse with a GFA of approximately 5,800 sqm, plus a swimming pool, a commercial high street with a GFA of 8,300 sqm and a kindergarten are available to its residents.



Lu'an Country Garden was launched on 25 January 2014, and has generated a contracted sales of RMB2.67 billion by the end of 2014. It was also the best selling project in the local property market.

## Country Garden – Kowloon Bay

### Laishui County, Baoding City, Hebei Province (55% attributable to the Company)

**Major Target market:** Beijing City

Country Garden – Kowloon Bay is located in the Fangshan global geopark of the scenic Shidu district in west Beijing. According to the 12th Five-Year Plan of China, this project is also located within the developing centre of the capital economy circle. The project is designed to be a resort community with a restorative environment in west Beijing.



The project has a site area of approximately 217,141 sqm, with an expected GFA of 270,465 sqm. The project offers various types of products, including villas, condos and retails.

In addition, the project has a commercial street with a GFA of approximately 8,000 sqm. Five star standard clubhouse, swimming pool and playground are also available to its residents.

Country Garden – Kowloon Bay was launched on 18 October 2014. It has generated a total contracted sales of RMB750 million in 2014.

## Ryde Garden (Sydney)

### Ryde, Sydney, Australia (100% attributable to the Company)

**Major Target market:** local and global market

Ryde Garden (Sydney) is located by the North Ryde railway station. It is only one station away from Chatswood, a high-end area, 2 stations away from the world renowned Macquarie University. There are 11 bus routes connecting the project and the CBD area with shopping centres around.



Ryde Garden has a site area of approximately 17,585 sqm, with a GFA of approximately 68,061 sqm. The project has 3 condo towers designed by Bates Smart, a long-established architectural firm based in Australia. Amenities under planning include parks, swimming pool, barbecue zone, gym and nursery.

Phase I of Ryde Garden was launched on 28 July 2014, has generated RMB1.0 billion of sales by the end of the day. On 15 November 2014, launch day of Phase II, the triumph continued with a RMB680 million of sales. Ryde Garden became the best selling residential project in Sydney with a total contracted sales of RMB2.47 billion in 2014.



## INVESTMENT PROPERTY

To further tap the value of its commercial properties, in late 2013, the Group set up a wholly owned subsidiary Guangzhou Country Garden Commercial Management Company Limited, which is responsible for the strategic planning and management of the Group's large-size commercial properties as well as community commercial properties. As of 31 December, 2014, the Company's investment property GFA is approximately 897,935 sqm, with a fair value of approximately RMB7.04 billion, of which completed GFA is approximately 718,520 sqm with a fair value of approximately RMB5.95 billion. GFA under development is approximately 179,415 sqm, with a fair value of approximately RMB1.09 billion. The top ten investment properties are as follow:

Project	City (District)	GFA of investment properties	Completed properties			Properties under development
			Community stores	Large commercial centers	Apartments	Large commercial centers
		(sqm)	(sqm)	(sqm)	(sqm)	(sqm)
Country Garden — Phoenix City (碧桂園•鳳凰城)	Zhenjiang (Jurong)	158,063	2,365			155,698
Country Garden — Galaxy Palace (碧桂園•銀河城)	Shenyang (Yuhong)	87,644	10,644	77,000		
Yunfu Country Garden (雲浮碧桂園)	Yunfu (Jinshan)	69,719	5,534	64,185		
Zhaoqing Lanling Residence (肇慶藍領公寓)	Zhaoqing (Gaoxin)	58,136			58,136	
Shunde Country Garden — including Country Garden West Court (順德碧桂園 (含碧桂園西苑))	Foshan (Shunde)	50,604	50,604			
Xinhui Country Garden (新會碧桂園)	Jiangmen (Xinhui)	42,151	42,151			
Tianjin Country Garden (天津碧桂園)	Tianjin (Balitai)	31,038	31,038			
Suizhou Country Garden (隨州碧桂園)	Suizhou (Chengnan)	30,219	30,219			
Wuhan Country Garden (武漢碧桂園)	Wuhan (Hannan)	28,770	28,770			
Country Garden Phoenix City (碧桂園鳳凰城)	Guangzhou (Zengcheng)	28,596	28,596			

## HOTEL PROPERTIES

The Group has developed and currently operated 8 five-star hotels and 2 four-star hotels, as well as 32 hotels which have been developed to the five-star rating standard and 2 hotels which have been developed to the four-star rating standard under the “Star-Rating Standard for Tourist Hotels”. In addition, the Group has 12 hotels that are under construction in accordance with the five-star rating standard and 2 hotels that is under construction in accordance with the four-star rating standard of the “Star-Rating Standard for Tourist Hotels”.

Name of Hotel	Location	Actual/ *Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Country Garden Holiday Resorts (順德碧桂園度假村)	Shunde Country Garden, Foshan, Guangdong Province	February 2000	201	Four-Star (in operation)
Phoenix City Hotel, Guangzhou (廣州鳳凰城酒店)	Country Garden Phoenix City, Guangzhou, Guangdong Province	November 2003	573	Five-Star (in operation)
Country Garden Holiday Islands Hotel (碧桂園假日半島酒店)	Qingyuan Holiday Islands Country Garden, Qingyuan, Guangdong Province	December 2004	225	Five-Star (in operation)
Country Garden Phoenix Hotel, Heshan (鶴山碧桂園鳳凰酒店)	Heshan Country Garden, Jiangmen, Guangdong Province	July 2005	282	Five-Star (in operation)
Country Garden Phoenix Hotel, Yangjiang (陽江碧桂園鳳凰酒店)	Yangdong Country Garden, Yangjiang, Guangdong Province	May 2007	342	Five-Star (in operation)
Country Garden Phoenix Hotel, Taishan (台山碧桂園鳳凰酒店)	Taishan Country Garden, Jiangmen, Guangdong Province	November 2007	337	Five-Star (in operation)
Country Garden Phoenix Hot Spring Hotel, Xianning (咸寧碧桂園鳳凰溫泉酒店)	Country Garden — Hot Spring City, Xianning, Hubei Province	November 2009	328	Five-Star (in operation)
Country Garden Phoenix Hotel, Gaoming (高明碧桂園鳳凰酒店)	Gaoming Country Garden, Foshan, Guangdong Province	November 2009	336	Five-Star (in operation)

Name of Hotel	Location	Actual/ *Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Country Garden Phoenix Hotel, Changshou, Chongqing (重慶長壽碧桂園鳳凰酒店)	Changshou Country Garden, Changshou, Chongqing Municipality	September 2010	335	Five-Star (in operation)
Country Garden Phoenix Hotel, Jingmen (荊門碧桂園鳳凰酒店)	Jingmen Country Garden, Jingmen, Hubei Province	October 2010	138	Four-Star (in operation)
Country Garden Phoenix Hotel, Wuyi (五邑碧桂園鳳凰酒店)	Wuyi Country Garden, Jiangmen, Guangdong Province	December 2005	95	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Changsha (長沙碧桂園鳳凰酒店)	Changsha Country Garden, Changsha, Hunan Province	October 2007	343	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Zhaoqing (肇慶碧桂園鳳凰酒店)	Zhaoqing Country Garden, Zhaoqing, Guangdong Province	February 2009	285	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Xinhui (新會碧桂園鳳凰酒店)	Xinhui Country Garden, Jiangmen, Guangdong Province	March 2009	374	According to five-star rating standard (in operation)
Maritim Hotel, Wuhu (蕪湖碧桂園瑪麗蒂姆酒店)	Wuhu Country Garden, Wuhu, Anhui Province	December 2010	602	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Wuhan (武漢碧桂園鳳凰酒店)	Wuhan Country Garden, Wuhan, Hubei Province	January 2011	331	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Binhu City (濱湖城碧桂園鳳凰酒店)	Country Garden Lakeside City, Hefei, Anhui Province	January 2011	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Huangshan (黃山碧桂園鳳凰酒店)	Huangshan Country Garden, Huangshan, Anhui Province	March 2011	378	According to five-star rating standard (in operation)
Country Garden Holiday Hotel, Shenyang (瀋陽碧桂園假日酒店)	Shenyang Country Garden, Shenyang, Liaoning Province	May 2011	50	According to five-star rating standard (in operation)

Name of Hotel	Location	Actual/ *Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Maritim Hotel, Shenyang (瀋陽碧桂園瑪麗蒂姆酒店)	Country Garden — Galaxy Palace, Shenyang, Liaoning Province	July 2011	631	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Tianjin (天津碧桂園鳳凰酒店)	Tianjin Country Garden, Balitai, Tianjin Municipality	August 2011	249	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel Shaoguan (韶關碧桂園鳳凰酒店)	Shaoguan Country Garden, Shaoguan, Guangdong Province	August 2011	335	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Suizhou (隨州碧桂園鳳凰酒店)	Suizhou Country Garden, Suizhou, Hubei Province	October 2011	378	According to five-star rating standard (in operation)
Country Garden Hill Lake Phoenix Hotel (碧桂園如山湖鳳凰酒店)	Country Garden — Hill Lake City, Maanshan, Anhui Province	November 2011	454	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Lechang (樂昌碧桂園鳳凰酒店)	Lechang Country Garden, Shaoguan, Guangdong Province	November 2011	129	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Ningxiang (寧鄉碧桂園鳳凰酒店)	Country Garden — Hill Lake Palace, Changsha, Hunan Province	December 2011	129	According to five-star rating standard (in operation)
Country Garden Europe City Phoenix Hotel (碧桂園歐洲城鳳凰酒店)	Country Garden — Europe City, Chuzhou, Anhui Province	December 2011	333	According to five-star rating standard (in operation)
Country Garden Holiday Hot Spring Hotel, Fogang (佛岡碧桂園假日溫泉酒店)	Country Garden Spring City, Qingyuan, Guangdong Province	April 2012	11	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Chizhou (池州碧桂園鳳凰酒店)	Chizhou Country Garden, Chizhou, Anhui Province	June 2012	338	According to five-star rating standard (in operation)

Name of Hotel	Location	Actual/ *Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Country Garden Phoenix Hotel, Tongliao (通遼碧桂園鳳凰酒店)	Tongliao Country Garden, Tongliao, Inner Mongolia	July 2012	321	According to five-star rating standard (in operation)
Country Garden Phoenix Hot Spring Hotel, Taizhou (泰州碧桂園鳳凰溫泉酒店)	Taizhou Country Garden, Taizhou, Jiangsu Province	July 2012	331	According to five-star rating standard (in operation)
Country Garden Phoenix City Hotel (碧桂園鳳凰城酒店)	Country Garden — Phoenix City, Zhenjiang, Jiangsu Province	September 2012	334	According to five-star rating standard (in operation)
Country Garden Silver Beach Hotel (碧桂園十里銀灘酒店)	Country Garden — Ten Miles Beach, Huizhou, Guangdong Province	October 2012	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Chaohu (巢湖碧桂園鳳凰酒店)	Chaohu Country Garden, Hefei, Anhui Province	November 2012	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Anqing (安慶碧桂園鳳凰酒店)	Anqing Country Garden, Anqing, Anhui Province	December 2012	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Huiyang (惠陽碧桂園鳳凰酒店)	Huiyang Country Garden, Huizhou, Guangdong Province	December 2012	118	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Yunfu (雲浮碧桂園鳳凰酒店)	Yunfu Country Garden, Yunfu, Guangdong Province	March 2013	129	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Xing'anmeng (興安盟碧桂園鳳凰酒店)	Xing'anmeng Country Garden, Xing'anmeng, Inner Mongolia	July 2013	134	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Haicheng (海城碧桂園鳳凰酒店)	Haicheng Country Garden, Anshan, Liaoning Province	December 2013	134	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Maoming (茂名碧桂園鳳凰酒店)	Country Garden City Garden, Maoming, Guangdong Province	January 2014	199	According to five-star rating standard (in operation)

Name of Hotel	Location	Actual/ *Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Country Garden Golden Beach Hotel, Hainan (海南碧桂園金沙灘酒店)	Country Garden — Golden Beach, Lin'gao, Hainan Province	April 2014	84	According to five-star rating standard (in operation)
Hilton Foshan (佛山希爾頓酒店)	Country Garden City Garden, Foshan, Guangdong Province	July 2014	600	According to five-star rating standard (in operation)
Country Garden Spring Town Holiday Hotel, Hainan (碧桂園海南小城之春假日酒店)	Country Garden Spring Town, Lin'gao, Hainan Province	July 2014	113	According to four-star rating standard (in operation)
Country Garden Holiday Hotel, Meizhou (梅州碧桂園假日酒店)	Shejiang Country Garden, Meizhou, Guangdong Province	October 2014	50	According to four-star rating standard (in operation)
Hilton Wuhan Optics Valley (武漢光谷希爾頓酒店) <sup>(2)</sup>	Country Garden — Eco City, Wuhan, Hubei Province	*2015	510	According to five-star rating standard (under construction)
Country Garden Jade Bay Phoenix Hotel (碧桂園翡翠灣鳳凰酒店) <sup>(3)</sup>	Country Garden — Jade Bay, Jiangmen, Guangdong Province	*2015	284	According to five-star rating standard (under construction)
Hilton Tianjin Binhai (天津濱海希爾頓酒店)	Independent Hotel, Tanggu, Tianjin Municipality	*2015	1,238	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Beiliu (北流碧桂園鳳凰酒店)	Beiliu Country Garden, Yulin, Guangxi Zhuang Autonomous Region	*2015	210	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Yangshan (陽山碧桂園鳳凰酒店)	Yangshan Country Garden, Qingyuan, Guangdong Province	*2015	138	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Zhangjiajie (張家界碧桂園鳳凰酒店)	Zhangjiajie Country Garden, Zhangjiajie, Hunan Province	*2015	1,047	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Shenyang (瀋陽碧桂園鳳凰酒店)	Country Garden — Phoenix City, Shenyang, Liaoning Province	*2015	134	According to five-star rating standard (under construction)

Name of Hotel	Location	Actual/ *Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Country Garden Phoenix Hotel, Longjiang (龍江碧桂園鳳凰酒店)	Country Garden Grand Palace, Foshan, Guangdong Province	*2015	193	According to five-star rating standard (under construction)
Country Garden Sun Palace Phoenix Hotel (碧桂園太陽城鳳凰酒店)	Shaoguan Country Garden — Sun Palace, Shaoguan, Guangdong Province	*2015	138	According to five-star rating standard (under construction)
Country Garden Airport Phoenix Hotel (碧桂園空港鳳凰酒店)	Country Garden Airport Plaza, Guangzhou, Guangdong Province	*2015	202	According to four-star rating standard (under construction)
Country Garden Phoenix Hotel, Quzhou (衢州碧桂園鳳凰酒店)	Quzhou Country Garden, Quzhou, Zhejiang Province	*2015	254	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Yiyang (益陽碧桂園鳳凰酒店)	Yiyang Country Garden, Yiyang, Hunan Province	*2015	251	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Jianghai (江海碧桂園鳳凰酒店)	Jianghai Country Garden, Jiangmen, Guangdong Province	*2016	194	According to four-star rating standard (under construction)
Country Garden Gold Beach Hotel (碧桂園十里金灘酒店)	Country Garden — Ten Miles Golden Beach, Yantai, Shandong Province	*2015	336	According to five-star rating standard (under construction)

Notes:

- Hotels are only allowed to apply for star hotel certification after one year of operation.
- Hilton Wuhan Optics Valley commenced partial trial operation on 31 December 2013.
- Country Garden Jade Bay Phoenix Hotel commenced partial trial operation on 1 October 2014.

# FINANCIAL SUMMARY

## CONSOLIDATED RESULTS

	2010	2011	2012	2013	2014
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	25,804,105	34,748,305	41,890,984	62,724,729	84,548,803
Profit before income tax	6,719,785	9,606,735	11,541,913	13,473,153	16,369,125
Income tax expense	(2,402,011)	(3,768,582)	(4,657,351)	(4,625,173)	(5,757,225)
<b>Profit for the year</b>	4,317,774	5,838,153	6,884,562	8,847,980	10,611,900
<b>Profit attributable to:</b>					
Owners of the Company	4,290,578	5,813,180	6,852,651	8,514,104	10,229,159
Non-controlling interests	27,196	24,973	31,911	333,876	382,741
	4,317,774	5,838,153	6,884,562	8,847,980	10,611,900
<b>Earnings per share</b>					
Basic <sup>1</sup> (RMB Cents)	24.27	32.81	37.50	45.97	53.45

## CONSOLIDATED FINANCIAL POSITION

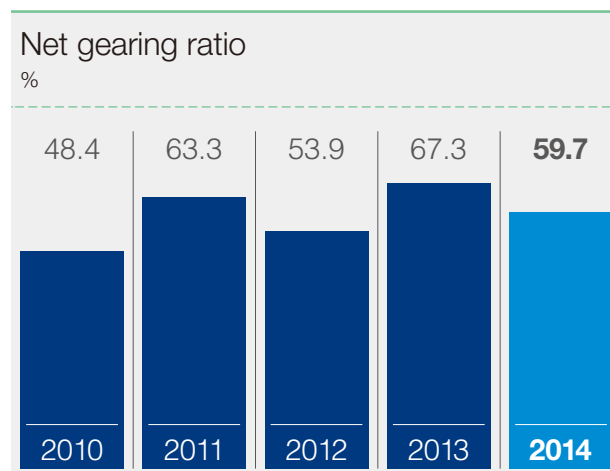
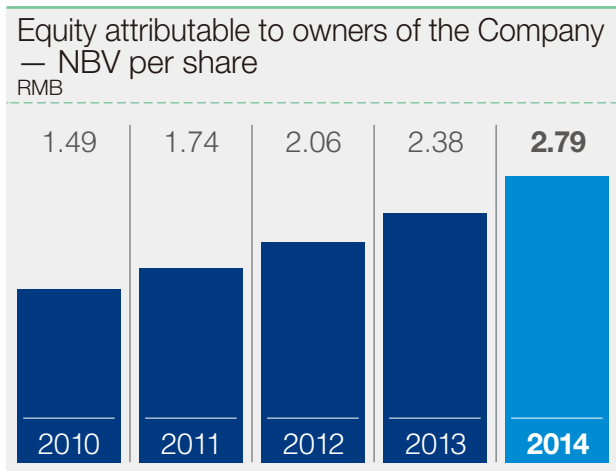
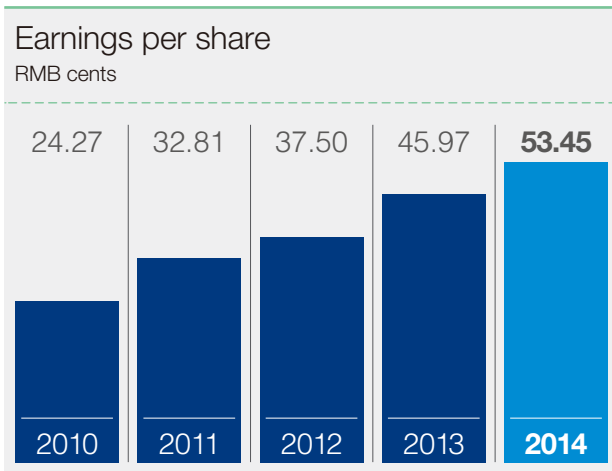
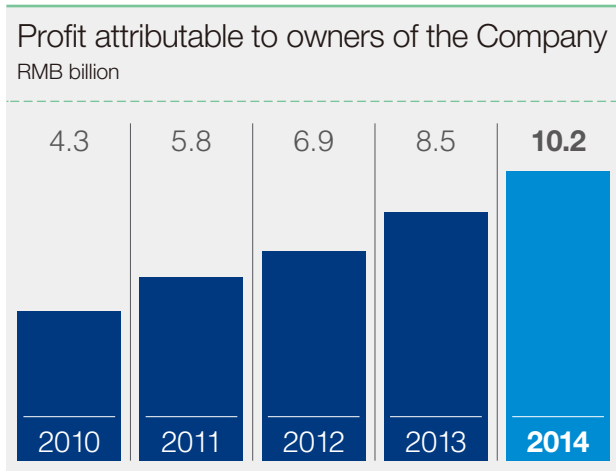
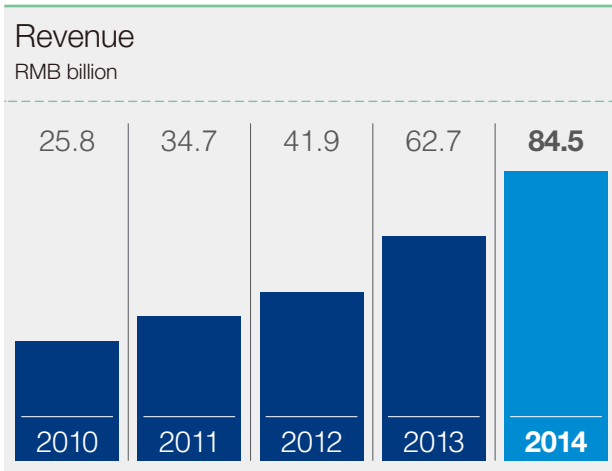
	2010	2011	2012	2013	2014
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Non-current assets</b>	25,420,162	37,581,273	40,610,992	60,025,745	75,415,162
<b>Current assets</b>	56,661,085	69,729,152	95,911,156	146,213,683	192,617,047
<b>Current liabilities</b>	42,330,849	53,771,602	68,707,328	114,904,283	156,623,024
<b>Net current assets</b>	14,330,236	15,957,550	27,203,828	31,309,400	35,994,023
<b>Total assets less</b>					
<b>current liabilities</b>	39,750,398	53,538,823	67,814,820	91,335,145	111,409,185
<b>Non-current liabilities</b>	14,332,323	23,471,559	28,930,412	45,323,978	48,966,759
Equity attributable to owners of the Company	24,821,421	28,990,237	37,577,149	43,953,620	56,686,205
Non-controlling interests	596,654	1,077,027	1,307,259	2,057,547	5,756,221
<b>Total equity</b>	25,418,075	30,067,264	38,884,408	46,011,167	62,442,426
<b>Equity attributable to</b>					
<b>owners of the Company</b>					
– NBV per share (RMB)	1.49	1.74	2.06	2.38	2.79
<b>Net debt <sup>2</sup></b>	12,018,062	18,349,882	20,263,748	29,569,189	33,854,619
<b>Net gearing ratio (%)</b>	48.4	63.3	53.9	67.3	59.7

Notes:

- Figures of prior years have been restated as a result of the Rights Issue in 2014.
- Net debt equals to total debt net of available cash.



# FINANCIAL HIGHLIGHTS



# MANAGEMENT DISCUSSION AND ANALYSIS



Country Garden Spring City

## FINANCIAL REVIEW

### Revenue

The Group's revenue was primarily derived from five business segments: property development, construction, fitting and decoration, property investment, property management and hotel operation. Revenue increased by 34.8% to approximately RMB84,548.8 million in 2014 from approximately RMB62,724.7 million in 2013. 96.9% (2013: 95.7%) of the Group's revenue was generated from the sales of properties and 3.1% (2013: 4.3%) from construction, fitting and decoration, property investment, property management and hotel operation.

### Property Development

Despite of the slowdown of the development momentum of the real estate industry in current year, the Group maintained a continuous steady growth as a result of the strict construction control and timely delivery of units. Revenue generated from property development increased by 36.4% to RMB81,897.9 million in 2014 from RMB60,043.3 million in 2013; primarily due to a 31.8% increase in total gross floor area ("GFA") recognized to 12,179,083 sqm in 2014 from 9,239,765 sqm in 2013, meanwhile, the recognized average selling price of property increased to RMB6,724 per sqm in 2014, compared to RMB6,498 per sqm in 2013.



Revenue generated from property development increased by **36.4%** to **RMB81,897.9 million** in 2014 from **RMB60,043.3 million** in 2013



Country Garden — City Garden (Guangzhou)



Country Garden — Longines Bay (Putian)



Revenue generated from property management increased by

↑ **24.1%** to  
**RMB964.1 million**  
in 2014 from  
**RMB777.1 million**  
in 2013

### Construction, Fitting and Decoration

Revenue generated from construction, fitting and decoration decreased by 46.0% to RMB467.9 million in 2014 from RMB866.9 million in 2013, primarily due to a decrease in the volume of construction, fitting and decoration services rendered to third parties of the Group.

### Property Management

The Group's property management covers 205 projects. Revenue generated from property management increased by 24.1% to RMB964.1 million in 2014 from RMB777.1 million in 2013, primarily due to an increase in the cumulative GFA under management resulting from construction completion and delivery of our properties, in line with the expansion of our operations.

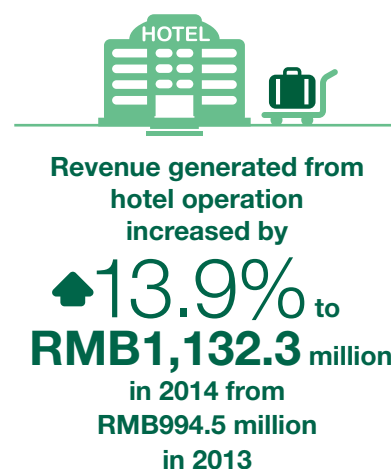


### Hotel Operation

Revenue generated from hotel operation increased by 13.9% to RMB1,132.3 million in 2014 from RMB994.5 million in 2013, primarily due to increased revenues from existing hotels and the opening of new hotels.

### Property Investment

During the first half year of 2014, the Group approved a business plan, changed the use of certain properties from holding for sale or self-use to earning long-term rental. As at 31 December 2014, the total GFA of the investment properties held amounted to 898 thousand sqm. The fair value of these investment properties amounted to RMB7,035.6 million, including RMB5,951.6 million of completed properties and RMB1,084.0 million of properties under development. During the year under review, annual rental income for investment amounted to RMB86.7 million.





Country Garden — Kowloon Bay

### Finance Cost/Income — Net

The Group recorded finance cost — net of approximately RMB195.6 million in 2014, compared to finance income — net of approximately RMB803.2 million in 2013. Among which, due to the fluctuation of the foreign exchange rate, the Group recorded the net exchange loss of approximately RMB260.8 million in 2014, compared to the net exchange gain of approximately RMB512.5 million in 2013. Furthermore, the Group early redeemed the senior notes due 2017 in 2014, resulting in a finance cost of RMB189.5 million.



**Profit attributable to owners of the Company in 2014 increased by 20.1% to RMB10,229.2 million from RMB8,514.1 million in 2013**

### Profit Attributable to Owner of the Company

Profit attributable to owners of the Company in 2014 increased by 20.1% to RMB10,229.2 million from RMB8,514.1 million in 2013. The net profit margin decreased to 12.1% in 2014 from 13.6% in 2013. After deduction of the after-tax gains arising from changes in fair value of and transfer to investment properties, loss on early redemption of senior notes and net exchange gains/losses, the core net profit attributable to owners of the Company in 2014 was RMB9,238.4 million, increased by 15.5% when compared to RMB8,001.6 million in 2013.

## LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

### Cash Position

As at 31 December 2014, the Group's cash and bank deposits (including the restricted cash) amounted to approximately RMB27,214.1 million (31 December 2013: approximately RMB26,679.6 million). As at 31 December 2014, 90.7% (2013: 92.2%) of the Group's cash and bank deposits were denominated in Renminbi and 9.3% (2013: 7.8%) were denominated in other currencies (mainly US dollars, HK dollars and Malaysian Ringgit).

As at 31 December 2014, the carrying amount of the restricted cash was approximately RMB8,453.5 million (31 December 2013: approximately RMB7,769.9 million). Pursuant to relevant regulations, certain of the project companies were required to deposit a portion of proceeds from pre-sales of properties into designated bank accounts. Before the completion of the pre-sold properties, the proceeds deposited in the escrow accounts could only be used for the restricted purposes of purchasing construction materials and equipments, making interim construction payments and paying tax, with the prior approval of the relevant local authorities.



Ryde Garden (Sydney)



Country Garden — Eco City

### Net Current Assets and Current Ratio

As at 31 December 2014, net current assets of the Group were approximately RMB35,994.0 million (31 December 2013: approximately RMB31,309.4 million). The current ratio being current assets over current liabilities was approximately 1.2 as at 31 December 2014, which decreased from 1.3 as at 31 December 2013.



**Aggregated debt as at 31 December 2014 amounted to approximately RMB61,068.7 million**

### Debt and Charges on Group Assets

The Group had an aggregated debt as at 31 December 2014 of approximately RMB61,068.7 million (31 December 2013: approximately RMB56,248.8 million), including bank and other borrowings and senior notes of approximately RMB38,794.9 million and RMB22,273.8 million respectively (31 December 2013: approximately RMB33,189.2 million and RMB23,059.6 million respectively).

For bank and other borrowings, approximately RMB12,390.7 million, RMB25,875.5 million and RMB528.7 million will be repayable within 1 year, between 1 and 5 years and beyond 5 years respectively (31 December 2013: approximately RMB10,086.2 million, RMB22,432.7 million and RMB670.3 million respectively). As at 31 December 2014, the substantial part of the bank and other borrowings are secured by certain land use rights and properties of the Group and guaranteed by group companies.





Country Garden — Ten Miles Golden Beach

## Net Gearing Ratio

Net gearing ratio is measured by the net debt (total debt net of available cash, which equal to the sum of cash and cash equivalents and the guarantee deposits for construction of pre-sold properties) over the equity attributable to owners of the Company. Net gearing ratio decreased from 67.3% as at 31 December 2013 to 59.7% as at 31 December 2014.



**Net gearing ratio  
decreased from  
67.3%  
as at 31 December 2013 to  
59.7%  
as at 31 December 2014**



Country Garden Hill Lake City



**Weighted average interest rate of the Group's bank and other borrowings decreased to**

**7.16%**  
in 2014 from  
**7.34%** in 2013

### Interest Rate Risk

The Group's bank and other borrowings are bearing floating rates. The weighted average interest rate of the Group's bank and other borrowings decreased to 7.16% in 2014 from 7.34% in 2013. The Group has implemented certain interest rate management which includes, among the others, close monitoring of interest rate movements and replacing and entering into new banking facilities when good pricing opportunities arise.

### Foreign Exchange Risk

Other than financing activities such as foreign currency borrowings which were denominated in foreign currencies, the Group conducts its business almost in Renminbi. The Group is not exposed to material exchange rate risk and the Board expects that any fluctuation of exchange rate will not have material adverse effect on the operation of the Group. The Group is considering to adopt foreign currency hedging instruments to better manage the exchange risk.

## Contingent Liability

As at 31 December 2014, the Group had contingent liabilities relating to guarantees in respect of mortgage facilities for certain purchasers amounting to approximately RMB49,375.9 million (31 December 2013: approximately RMB31,443.7 million).

The above guarantees represent the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. As at 31 December 2014, the amount of approximately RMB113.4 million (31 December 2013: approximately RMB85.1 million) was to be discharged two years from the day when the mortgaged loans become due; and approximately RMB49,262.5 million (31 December 2013: approximately RMB31,358.6 million) was to be discharged upon earlier of (i) issuance of the real estate ownership certificate which are generally to be available within three months after the purchasers take possession of the relevant properties; and (ii) the satisfaction of mortgage loan by the purchasers of properties.



Country Garden — Coral Palace

In addition, as at 31 December 2014, the Group had provided guarantees for approximately RMB2,299.0 million (31 December 2013: approximately RMB1,184.2 million) in its portion of equity interests in Guangzhou Li He Property Development Company Limited, an associate of the Group, and Zhongshan Yahong Property Development Company Limited, a joint venture of the Group, for their borrowings.

The Directors consider that in case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore no provision has been made in the financial statements for the guarantees.

### Capital and Property Development Commitments

As at 31 December 2014, the commitments of the Group in connection with capital and property development expenditures amounted to approximately RMB72,652.3 million (31 December 2013: approximately RMB49,056.6 million). This amount primarily arose from contracted construction fees or other capital commitments for future property developments. The Group expects to fund these commitments principally from pre-sold proceeds of the properties and partly from bank borrowings.



Country Garden — City Garden (Lanzhou)



Country Garden Spring City

## Employees and Remuneration Policy

Human resource has always been the outmost valuable resource of the Group. As of 31 December 2014, the Group had approximately 64,869 full-time employees (31 December 2013: 64,772).

In order to adapt itself to the fast growing and every changing market, the Group came up with the partnership scheme, bringing the interest of employees together with the sake of the company. Not only could this sharing responsibility and sharing benefit program help lowering operational cost and increasing profit, but also makes employees better understand the company's culture of "home experience", fulfilling social responsibilities together with the Company. Besides that, in 2014 the Group recruited over 130 high-talented graduates from top universities worldwide, through its global recruiting program. These newly recruited talented together will become a great value added to support the Group's further development.



**As of 31 December 2014, the  
Group had approximately  
64,869  
full-time employees**



Country Garden — Golden Beach

### Forward Looking

Being one of the most important segments of Chinese economic, the real estate industry is expected to have constant economic stimulus from the government in 2015, and remain enjoying the benefit from urbanization and the strong need for high-quality housing. On the other hand, the competition of property development industry will be more intensive. To welcome the new market situation of diversification and integration, the Group will continue to strengthen its contract sales, and cash collection; apply strict cost control and further improve its cash position and profit margin, while keep the debt ratio steady. As to the land bank, a more prudent and practical strategy will be executed when acquiring new land to ensure the quality of future projects. Under the background of steady growth, the Group will focus on progressive increase of profitability to achieve high quality and all-balanced development.

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## EXECUTIVE DIRECTORS



**YEUNG Kwok Keung (楊國強)**, aged 60, was appointed as the Chairman and an executive Director in December 2006. Mr. YEUNG is also the chairman of Nomination Committee, Corporate Governance Committee and Executive Committee, a member of Remuneration Committee and a director of various members of the Group. Mr. YEUNG is responsible for the formulation of development strategies, investment planning and overall project planning as well as ensuring the Board functioned properly with good corporate governance practice. From 1992 to 1997, Mr. YEUNG was the general manager of Shunde Sanhe Co.. From 1986 to 1997, Mr. YEUNG served as the general manager and the chairman of Beijiao Construction Co. and also served as the general manager of the Group from 1997 to 2003. He has been the Chairman since the Company listed in 2007. Mr. YEUNG has over 37 years of experience in construction and over 23 years of experience in property development. Mr. YEUNG was recognized as “China Charity Outstanding Contributions Person” and “Top Ten Contributions to China Real Estate” in 2009, “China Real Estate Entrepreneur Charity Award” and “Person of China Real Estate” in 2010, “Individual under Non-collectively Own Category for Helping Poverty in Guangdong” in 2011, as well as “2012 China Corporate Social Responsibility Award for Outstanding Entrepreneur” in 2012. Mr. YEUNG is currently a member of the 12th National Committee of the Chinese People’s Political Consultative Conference. Mr. YEUNG is the father of Ms. YANG Huiyan, the vice Chairman, an executive Director and a controlling Shareholder, the father of Ms. YANG Ziyang, an executive Director, and the uncle of Mr. YANG Zhicheng, an executive Director.



**YANG Huiyan (楊惠妍)**, aged 33, was appointed as an executive Director in December 2006 and the vice Chairman in March 2012. Ms. YANG is also a member of Corporate Governance Committee, Executive Committee and Finance Committee and a director of various members of the Group. Ms. YANG graduated from Ohio State University with a bachelor degree in marketing and logistic. Ms. YANG joined the Group in 2005 and served as the manager of the procurement department. Currently, she is primarily responsible for the formulation of development strategies of the Group. Ms. YANG was recognized as “China Charity Award Special Contribution Award” in 2008. Ms. YANG is the daughter of Mr. YEUNG Kwok Keung, the Chairman and an executive Director, the sister of Ms. YANG Ziyang, an executive Director, and a cousin of Mr. YANG Zhicheng, an executive Director.

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT



**MO Bin (莫斌)**, aged 48, was appointed as the President and an executive Director in July 2010. Mr. MO is also a member of Remuneration Committee, Corporate Governance Committee, Executive Committee and Finance Committee and a director of several members of the Group. Mr. MO graduated from Hengyang Institute of Technology (currently known as University of South China) with a bachelor degree in industrial and civil architecture, obtained his postgraduate degree from Zhongnan University of Economics and Law and is a professor-grade senior engineer. Mr. MO is primarily responsible for the management of daily operation and general administration of the Group. Prior to joining the Group, Mr. MO was employed by an internationally competitive construction and property group in the PRC, China Construction, in a number of senior positions since 1989, most recently as a director and general manager. Mr. MO has over 25 years of extensive experience in property development, construction business, construction management, marketing, cost control and corporate management.



**ZHU Rongbin (朱榮斌)**, aged 42, was appointed as the associate President and an executive Director in May 2013. Mr. ZHU is also a member of Executive Committee. Mr. ZHU graduated from the Faculty of Civil Engineering of Tsinghua University with a master degree and is a senior engineer. Mr. ZHU is primarily responsible for the management of investment and product design of the Group. Mr. ZHU worked in China Overseas Holdings Limited from 1995 to 2008, most recently as director, assistant general manager and general manager (eastern China region) of China Overseas Property Group Company Limited and was responsible for property development and project management in various locations, namely Guangzhou, Hong Kong, Shenzhen, Beijing and Shanghai. From 2008 and before joining the Group in May 2013, Mr. ZHU worked in R&F, most recently as vice president and general manager (southern China region) of R&F. Mr. ZHU has over 20 years of experience in property development and related business.





**WU Jianbin (吳建斌)**, aged 52, was appointed as the Chief Financial Officer and an executive Director in April 2014. Mr. WU is also the chairman of Finance Committee and a member of Executive Committee. Mr. WU graduated from the School of Finance and Economics of Shaanxi Institute of Finance and Economics (currently known as Xi'an Jiaotong University) and obtained a master degree and a doctoral degree in Business Administration from the Macau University of Science and Technology respectively. Mr. WU is a senior accountant and is an adjunct professor at the Shanghai University of International Business and Economics. Mr. WU joined China State Construction Engineering Corporation in 1984 and was seconded to China Overseas Land & Investment Ltd. in 1987. He was appointed as a director and a financial controller of China Overseas Holdings Limited in 2001 and appointed as an executive director and a financial controller of China Overseas Land & Investment Ltd. in 2002 and was re-designated as a vice chairman and a non-executive director in 2009. Prior to joining the Group in April 2014, Mr. WU was an executive director and a deputy general manager of China Overseas Holdings Limited and the chairman of China Overseas Investment Developing Holdings Limited. Mr. WU received a number of awards between 2004 and 2009, including “the Achievement Award for Financial Management of 30th Anniversary of China’s Reform and Opening up” and “the 60th Anniversary of China’s Financial Value Leadership Award” awarded by the China Chief Financial Officer Press and China CFO International Summit in 2008 and 2009 respectively. Mr. WU is also a member of the 11th Shaanxi Provincial Committee of Chinese People’s Political Consultative. Mr. WU has 31 years of experience in corporate finance, accounting, investment operations and information management.

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

**YANG Ziying (楊子莹)**, aged 27, was appointed as an executive Director in May 2011. Ms. YANG is also a member of Executive Committee and a director of various members of the Group. Ms. YANG graduated from Ohio State University with a bachelor degree in psychology. Ms. YANG joined the Group in 2008 as an assistant to Chairman. Currently, she is primarily responsible for overseeing the finance of the Group, including offshore and onshore financing. Prior to joining the Group, Ms. YANG worked in a renowned global investment bank. Ms. YANG is the daughter of Mr. YEUNG Kwok Keung, the Chairman and an executive Director, the sister of Ms. YANG Huiyan, the vice Chairman, an executive Director and a controlling Shareholder, and a cousin of Mr. YANG Zhicheng, an executive Director.

**YANG Erzhu (楊貳珠)**, aged 64, was appointed as an executive Director in November 2006 and is also a director of various members of the Group. Mr. YANG graduated from the School of Economic Management of Jinan University. Mr. YANG is primarily responsible for auditing the outsourcing of construction and assisting the Chairman in investment planning. From 1994 to 1997, Mr. YANG served as a deputy general manager of Shunde Sanhe Co.. From 1986 to 1997, Mr. YANG served as a deputy general manager of Beijiao Construction Co.. From 1999 to 2009, Mr. YANG served as a director and deputy general manager of Foshan Shunde Finest Decoration & Design Enterprise and has been serving as a director and deputy general manager of Giant Leap and Shunde Country Garden since 1997. Mr. YANG has over 37 years of experience in construction and approximately 21 years of experience in property development.

**SU Rubo (蘇汝波)**, aged 60, was appointed as an executive Director in December 2006 and is also a director of various members of the Group. Mr. SU graduated from the School of Economic Management of Jinan University. Mr. SU is primarily responsible for the construction management, supervision and coordination of certain property development projects of the Group. From 1994 to 1997, Mr. SU served as a deputy general manager of Shunde Sanhe Co.. From 1986 to 1997, Mr. SU served as a deputy general manager of Beijiao Construction Co. and has been serving as a director and a deputy general manager of Giant Leap and Shunde Country Garden since 1997. Mr. SU has over 37 years of experience in construction, approximately 21 years of experience in property development and approximately 18 years of experience in procurement of construction materials.

**OU Xueming (區學銘)**, aged 65, was appointed as an executive Director in December 2006 and is also a director of various members of the Group. Mr. OU is primarily responsible for the construction management, supervision and coordination of certain property development projects of the Group. From 1994 to 1997, Mr. OU served as a deputy general manager of Shunde Sanhe Co.. From 1986 to 1997, Mr. OU served as a deputy general manager of Beijiao Construction Co. and has been serving as a director and a deputy general manager of Giant Leap and Shunde Country Garden since 1997. Mr. OU has over 37 years of experience in construction and approximately 21 years of experience in operation and management of property development.



**YANG Zhicheng (楊志成)**, aged 41, was appointed as an executive Director in December 2006 and a regional president of the Group. Mr. YANG is also a member of Executive Committee. Mr. YANG is primarily responsible for the overall development and management of certain property development projects of the Group. Prior to joining the Group in 1997, Mr. YANG served as a project manager of Shunde Sanhe Co., the general manager of Foshan Shunde Jun'an Country Garden Property Development Co., Ltd. and the project general manager of the Group. Mr. YANG has approximately 21 years of experience in project development. Mr. YANG is a nephew of Mr. YEUNG Kwok Keung, the Chairman and an executive Director, and a cousin of Ms. YANG Huiyan, the vice Chairman, an executive Director and a controlling Shareholder, and Ms. YANG Ziying, an executive Director.



**XIE Shutai (謝樹太)**, aged 50, was appointed as an executive Director in May 2013. Mr. XIE graduated from Hunan University with a bachelor degree in engineering and is a qualified PRC civil engineer. Mr. XIE is primarily responsible for the overall management and supervision of certain property development projects of the Group as well as the overall management of the Group's hotel management, business management and property management companies. Prior to joining the Group in 1997, Mr. XIE worked in Hengyang City Construction Institute from 1986 to 1991 and was responsible for structural design work. He also

worked in Shunde Sanhe Co. from 1992 to 1997 and was responsible for property management. Since 1997, he has been working in Shunde Country Garden and Guangdong Country Garden Property Management Co., Ltd. and was responsible for the overall property and hotel management of the Group, and served as a vice President since 2007. Mr. XIE has 23 years of experience in property management and approximately 18 years of experience in hotel management.



**SONG Jun (宋軍)**, aged 47, was appointed as an executive Director in May 2013. Mr. SONG graduated from Chongqing College of Construction and Architecture (currently known as Chongqing University) with a bachelor degree in engineering and is a qualified PRC architect. Prior to joining the Group in 1994, Mr. SONG worked in Hunan Province Jishou City Construction Institute and Elite Architectural and was responsible for architectural design work. Since 1997, he served as a project manager and a general manager of Shunde Country Garden and Guangzhou Country Garden, and served as vice president of the Group since 2005, and was responsible for the management of property project development of the Group. Currently, Mr. SONG is responsible for the overall operation, management and sustainable development of property projects of the Group in certain regions. Mr. SONG has 18 years of experience in the management of property development.

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

 **LIANG Guokun (梁國坤)**, aged 56, was appointed as an executive Director in May 2013. Mr. LIANG is primarily responsible for landscape design and gardening system management and supervision. Prior to joining the Group in 1999, Mr. LIANG worked in Chung Shan Hot Spring Golf Club from 1985 to 1994. He also worked in Dongguan Yin Li Golf Club, Shenzhen Mission Hills Golf Club and Shenzhen Longgang Green Club (currently known as Citic Green Golf Club), in a number of senior positions, from 1994 to 1999. Mr. LIANG served as a vice President since 2011. Mr. LIANG has 30 years of experience in golf course design management and landscape design management.

 **SU Baiyuan (蘇柏垣)**, aged 49, was appointed as an executive Director in December 2013. Mr. SU graduated from Guangzhou Normal Institute (currently known as Guangzhou University) with a degree in geography and obtained a postgraduate degree in human geography from Sun Yat-Sen University. Prior to joining the Group in 2005, Mr. SU had over 10 years of experiences in land planning and development as well as operational management. Mr. SU was a vice President until February 2013, and was primarily responsible for investment development and the overall management of certain property development projects of the Group. Currently, Mr. SU is primarily responsible for overseas development and the management of certain overseas property development projects of the Group.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

 **LAI Ming, Joseph (黎明)**, aged 70, was appointed as an independent non-executive Director in December 2006 and is currently the chairman of Audit Committee and a member of Remuneration Committee and Nomination Committee. Mr. LAI is a fellow member of the HKICPA, CPA Australia, CIMA and the Hong Kong Institute of Directors. Mr. LAI was one of the co-founders of the Hong Kong Branch of CIMA founded in 1973 and was its president in 1974/75 and 1979/80. He was the president of the HKICPA in 1986. Mr. LAI is an independent non-executive director of Jolimark Holdings Limited and R&F and retired as an independent non-executive director of Shinhint Acoustic Link Holdings Limited on 23 May 2014, all of which are companies whose shares are listed on the Stock Exchange. Mr. LAI also holds directorships in several private companies engaging in property development in Canada. He is also an independent non-executive director of Nan Fung Group Holdings Limited.



**SHEK Lai Him, Abraham (石禮謙)** G.B.S., J.P., aged 69, was appointed as an independent non-executive Director in December 2006 and is currently a member of Audit Committee and Remuneration Committee. Mr. SHEK graduated from the University of Sydney and holds a Bachelor of Arts degree and a Diploma in Education. Mr. SHEK was appointed a Justice of the Peace in 1995 and was awarded the Gold Bauhinia Star by the Government of the HKSAR in 2013. Mr. SHEK is a member of the HKSAR Legislative Council representing the Real Estate and Construction Functional Constituency, a member of the Court of Hong Kong University of Science and Technology, a member of Court and Council of University of Hong Kong, and has retired from the Independent Police Complaints Council as a vice chairman since 1 January 2015. Mr. SHEK is an independent non-executive director of Midas International Holdings Limited, Lifestyle International Holdings Limited, NWS Holdings Limited, ITC Corporation Limited, Hop Hing Group Holdings Limited, MTR Corporation Limited, SJM Holdings Limited, Paliburg Holdings Limited, Lai Fung Holdings Limited, Chuang's Consortium International Limited, China Resources Cement Holdings Limited, Dorsett Hospitality International Limited and Cosmopolitan International Holdings Limited, the vice chairman and an independent non-executive director of ITC Properties Group Limited, and the chairman and an independent non-executive director of Chuang's China Investments Limited, all of which are companies whose shares are listed on the Stock Exchange, as well as a director of The Hong Kong Mortgage Corporation Limited. Mr. SHEK is also an independent non-executive director of Eagle Asset Management (CP) Limited (the manager of Champion Real Estate Investment Trust) and Regal Portfolio Management Limited (the manager of

Regal Real Estate Investment Trust), both trusts are listed on the Stock Exchange. Mr. SHEK ceased to be an independent non-executive director of Titan Petrochemicals Group Limited with effect from 27 February 2014 and of Hsin Chong Construction Group Limited with effect from 12 May 2014, all of which are companies whose shares are listed on the Stock Exchange.



**TONG Wui Tung, Ronald (唐滙棟)**, aged 64, was appointed as an independent non-executive Director in December 2006. He is the chairman of Remuneration Committee and a member of Audit Committee and Nomination Committee. Mr. TONG has been practicing as a solicitor in Hong Kong for over 30 years and is a partner of the law firm, Messrs. Cheung Tong & Rosa Solicitors. He is also a Notary Public and a China Appointed Attesting Officer, and is admitted as a solicitor in several other jurisdictions. Mr. TONG is currently a non-executive director of Yip's Chemical Holdings Limited, a company whose shares are listed on the Stock Exchange.



**HUANG Hongyan (黃洪燕)**, aged 44, was appointed as an independent non-executive Director in December 2012, a member of Audit Committee, Remuneration Committee and Nomination Committee. Mr. HUANG graduated from the Department of Finance, the School of Economics of Jinan University and holds a Bachelor of International Finance degree, and is also qualified as a Chinese certified public accountant, a Chinese certified tax agent, a Chinese certified public valuer, a certified internal auditor and a corporate accountant. Currently, Mr. HUANG serves as a general manager of Foshan Yestar Consulting Co., Ltd. and a director of Guangdong Jiayang Investment Co., Ltd. Mr. HUANG is an independent non-executive director

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

of Guangdong Vanward New Electric Co., Ltd. and C&S Paper Co., Ltd., those companies whose shares are listed on the Shenzhen Stock Exchange.

 **HUANG Xiao (黃曉)**, aged 47, was appointed as an independent non-executive Director in December 2012, a member of Audit Committee, Remuneration Committee and Nomination Committee. Ms. HUANG graduated from Jinan University and holds a Bachelor of Accounting degree. Ms. HUANG also graduated from the University of New South Wales, Australia and holds a Master of Commerce degree with a major in international accounting. Ms. HUANG is qualified as a Chinese certified public accountant and a senior accountant. Currently, Ms. HUANG serves as the officer of the examination and training department of Guangdong Provincial Institute of Certified Public Accountants and a member of registration committee of Guangdong Provincial Institute of Certified Public Accountants.

 **LIU Hongyu (劉洪玉)**, aged 52, was appointed as an independent non-executive Director in May 2013. Mr. LIU graduated from Tsinghua University with a bachelor degree in structural engineering and a master degree in management engineering, and is a qualified real estate appraiser in the PRC. Mr. LIU was a professor in the Department of Civil Engineering of Tsinghua University from June 1996 to April 2000, and since April 2000, he has been a professor in the Department of Construction Management of Tsinghua University. Since 1996, he has been the director of the Institute of Real Estate Studies, Tsinghua University. His research focuses on real estate economics, real estate investment and finance, housing policies and land management. From April 2006 to March 2012, Mr. LIU served

as an independent director of COFCO Property (Group) Co., Ltd.. Currently, Mr. LIU serves as an independent director of China Merchants Property Development Co., Ltd., a company whose shares are listed on the Shenzhen Stock Exchange, and an independent non-executive director of Franshion Properties (China) Limited, a company whose shares are listed on the Stock Exchange. Mr. LIU is a vice chairman of the China Institute of Real Estate Appraisers and Agents and a director of Asian Real Estate Society. He is also an honorary professor of the University of Hong Kong and a fellow of the Royal Institution of Chartered Surveyors of the United Kingdom. Mr. LIU has over 27 years of experience in real estate, construction and engineering.

 **MEI Wenjue (梅文珏)**, aged 44, was appointed as an independent non-executive Director in May 2013. Mr. MEI graduated from Sun Yat-Sen University with a bachelor degree in English language and literature and a master degree in public administration, and obtained a master degree in business administration from the School of Management of Cranfield University in United Kingdom. Mr. MEI served as a director of safety management system office, the secretary of safety committee and safety information manager of China Southern Airlines Company Limited, the deputy representative of China Southern Airlines Company Limited in the safety security and quality functional executives of Sky Team. Mr. MEI also served as the chief representative of the Shenzhen Office of China Europe International Business School. Currently, Mr. MEI serves as the chief executive officer of Reocar Rental Chain Group. Mr. MEI is an independent non-executive director of Miko International Holdings Limited, a company whose shares are listed on the Stock Exchange.

## COMPANY SECRETARY



**YEUNG Kwok On (楊國安)**, aged 53, was appointed as an independent non-executive Director on 1 April 2014. Mr. YEUNG obtained his doctoral degree in Strategic Human Resource Management at the University of Michigan in 1990 and a master degree in Management at the University of Hong Kong (Faculty of Social Sciences) in 1986. Mr. YEUNG is a Philips Chair Professor of Human Resource Management at China Europe International Business School. Mr. YEUNG is also founder of Organizational Capability Learning Association. Mr. YEUNG served as the chief human resources officer of Acer Group from early 1999 to June 2002. Currently, Mr. YEUNG serves as an independent non-executive director of SITC International Holdings Company Limited, a company whose shares are listed on the Stock Exchange, and Trina Solar Limited, a company whose shares are listed on the New York Stock Exchange. Mr. YEUNG ceased to be an independent non-executive director of Kingdee International Software Group Company Limited with effect from 17 March 2014, a company whose shares are listed on the Stock Exchange



**HUEN Po Wah (禰寶華)**, aged 66, was appointed as the secretary of the Company in March 2007. He is an associate of The Hong Kong Institute of Chartered Secretaries and also an associate of The Institute of Chartered Secretaries and Administrators. Mr. HUEN is also a director of Fair Wind Secretarial Services Limited. He has over 30 years of experience in company administration and secretarial fields and has served many listed companies over the years.

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT


## SENIOR MANAGEMENT

 **CHENG Guangyu (程光煜)**, aged 34, is a vice President. Mr. CHENG graduated from Department of Civil Engineering of Tsinghua University with a bachelor and doctoral degree of civil engineering. Mr. CHENG is attending in a part-time master degree at Guanghua School of Management of Peking University. Mr. CHENG joined the Group in 2007 and was responsible for overall operation management and sustainable development of property projects in certain regions under his supervision since 2012. Since 2014, Mr. CHENG has been primarily responsible for the overall sales and marketing management of the Group. Mr. CHENG has five years of experience in civil engineering research and seven years of experience in management of property development.

 **WANG Shaojun (王少軍)**, aged 49, is a vice President. Mr. WANG graduated from Harbin Institute of Architecture and Engineering (currently known as Civil Engineering School of Harbin Institute of Technology) with a bachelor degree in industrial and civil architectures and a master degree in structural engineering and is a qualified PRC senior civil engineer. Prior to joining the Group in 2013, Mr. WANG worked in Dalian Wanda Commercial Properties Co., Ltd. as the general manager of its Guangzhou company and was responsible for property development; and worked in Fantasia Holdings Group Co. Ltd. as the executive vice president and was responsible for the management and operation of property development business. Mr. WANG has 22 years of experience in management of property development.


 **LI Xiaolin (黎曉林)**, aged 42, is a vice President. Mr. LI graduated from Department of Civil Engineering of Tsinghua University with a bachelor degree of architecture and structural engineering and Guanghua School of Management of Peking University with EMBA, and is a qualified PRC architecture engineer and a qualified real estate appraiser in the PRC. Mr. LI is primarily responsible for the operation and management of some of our property development projects. Prior to joining the Group in 2008, Mr. LI worked in Zhuhai Zhuguang Architecture Design Engineering Company and was responsible for architecture design, as well as in various property developers, namely New Home (Zhuhai) Real Estate Co. Ltd., Zhongshan Paramount Development Co., Ltd. and China Vanke Co., Ltd., and was responsible for property development and management. Since 2008, Mr. LI has been responsible for the overall operation, management and sustainable development of property projects in certain regions under his supervision. Mr. LI has 18 years of experience in the management of real estate development.




 **PENG Zhibin (彭志斌)**, aged 41, is a vice President. Mr. PENG graduated from Hefei University of Technology with a bachelor degree of civil engineering in 1996 and Wuhan University with a master degree of business administration in 2003. In August 2014, Mr. PENG graduated from China Europe International Business School with EMBA. Mr. PENG is primarily responsible for the human resources management of the Group. Prior to joining the Group in 2010, Mr. PENG worked in China Railway Siyuan Survey and Design Group Co., Ltd., as an engineer and the head of professional design. Mr. PENG worked in ZTE Corporation as a cadre management manager of human resources management center and the head of human resources (middle east region) from 2003 to 2006; worked in Watson Wyatt Worldwide as a consultant and a project manager from 2006 to 2008; and worked in COFCO Property (Group) Co., Ltd. as a director of human resources (southern region) and a group vice president of human resources from 2008 to 2010. Mr. PENG joined the Group in June 2010 as an assistant to President and a director of human resource. Mr. PENG has 13 years of experience in the human resources management.

 **FAN Jie (樊杰)**, aged 46, is a vice President. Mr. FAN graduated from Harbin Institute of Architecture and Engineering (currently known as Civil Engineering School of Harbin Institute of Technology) with a bachelor degree of international engineering management and is a qualified PRC senior civil engineer. Prior to joining the Group, Mr. FAN worked in China Overseas Holdings Limited for seven years and worked in various subsidiaries of China Overseas Property Co., Ltd. in Shanghai, Tianjin and Zhongshan as general manager and was responsible for property development. He also worked in Coastal Property Investment (China) Co., Ltd. as general

manager of southern region and was responsible for property development and operation in various cities. Mr. FAN has 24 years of experience in engineering management and real estate development.

 **WANG Zhidun (王志敦)**, aged 45, is a vice President. Mr. WANG graduated from Shantou University with a bachelor degree in international business laws and is a qualified PRC lawyer. Prior to joining the Group in 2003, Mr. WANG was a partner of Guangdong Bowen Law Firm from 1996 to 2003. Mr. WANG left the Group in 2009 and rejoined the Group in 2013. Currently, Mr. WANG is responsible for the investment and development of certain of the overseas property development projects of the Group.

 **WU Bijun (伍碧君)**, aged 41, is a vice President since April 2014. Ms. WU is also a member of Finance Committee and is the general manager of the finance centre of the Company. Ms. WU graduated from the Department of Public Finance and Taxation of Zhongnan University of Finance and Economics (currently known as Zhongnan University of Economics and Law) with a bachelor degree of economics majoring in public finance in 1995. She is qualified as a Chinese certified public accountant and a Chinese certified tax agent. Ms. WU is now studying at the EMBA class of China Europe International Business School. Ms. WU is responsible for finance and capital management of the Group. Prior to joining the Group in 2005, Ms. WU worked at Jingzhou, Hubei Branch of China Construction Bank and was responsible for accounting and auditing management. From 1999 to 2002, Ms. WU was the chief auditor of Guangdong Foshan Zhixin Certified Public Accountants Co., Ltd. and was responsible for reviewing the accountants reports. From 2002 to

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

2005, Ms. WU worked at Shunde Finance Bureau and was responsible for the financial management of foreign investment enterprises. Ms. WU has joined us since 2005 and was mainly responsible for the financial management of the Group. Ms. WU has 10 years of experience in the management of financial resources and approximately 20 years of experience in the financial management.

**ZHANG Zhiyuan (張志遠)**, aged 41, is a vice President. Mr. ZHANG graduated from Changsha Railway Institute of Central South University with a bachelor degree in industrial and civil construction. He is also a senior engineer. Prior to joining the Group in 2014, Mr. ZHANG worked in China Construction from 1995 to March 2014. He was a director and deputy general manager of China Construction from October 2010 to March 2014. Mr. ZHANG is responsible for the management of the project quality of the Group.

**YANG Cuilong (楊翠瓏)**, aged 43, is a vice President. Ms. YANG graduated from South China University of Technology majoring in architecture and is a national first class registered architect in the PRC. Prior to joining the Group in 2000, Ms. YANG worked in Elite Architectural from 1993 to 2000 and was responsible for architecture design. Since 2000, she had served as the head of general office of the projects and an assistant to President, as well as the general manager for project tendering management department. She was appointed as the vice President as well as the general manager of the cost management center of the Company in September 2014 and is responsible for the Group's construction cost, pre-settlement and tender management. Ms. YANG has eight years of experience in architectural

design and management and 13 years of experience in operation management and construction cost management for real estate.

**YANG Lixing (楊麗興)**, aged 44, is a vice President. Ms. YANG graduated from South China University of Technology majoring in management. Ms. YANG has been responsible for our procurement management since she joined the Group in 1992. Ms. YANG was appointed as the vice President in September 2014 as well as the general manager of the procurement center of the Company. Ms. YANG has 22 years of experience in the procurement management for real estate.

**CHEN Liyan (陳立艷)**, aged 40, is a vice President. Ms. CHEN graduated from Renmin's University of China majoring in financial accounting. Prior to joining the Group in 2014, Ms. CHEN worked in UFIDA software Co., Ltd as a product business analyst, consulting and implementation director, general manager of real estate architecture department and assistant president and was responsible for leading and designing the software supporting the profit model of the whole real estate industry chain. Ms. CHEN was appointed as the vice President as well as the general manager of our strategy management center of the Company in November 2014. Currently, Ms. CHEN is responsible for the information system and information management of the Group.

# CORPORATE SOCIAL RESPONSIBILITY REPORT

Adhering to the concept of “To create a better society with our existence”, the Group not only focuses on providing above industry standard products and services, but also attaches great importance to the Group’s sustainable development and its social responsibility. The Group endeavours to promote charity and public welfare, staff development and training, environmental protection and customer relations management.

## CHARITY AND PUBLIC WELFARE

Chairman of the Board Mr. YEUNG Kwok Keung and his family, the Group and its staff volunteers and property owners are performing their social responsibilities and uphold the charity concepts of “gratitude passing” and “teach one to fish”, which is highly recognized by all aspects of the society.

In November, 2013, Mr. YEUNG Kwok Keung and Ms. YANG Huiyan established Guangdong Guoqiang Charity Fund which sponsors charity events in education and poverty alleviation. As a member of the National Committee of the Chinese People’s Political Consultative Conference, Mr. YEUNG Kwok Keung submitted a proposal on “Enhancing vocational education to realize the great rejuvenation of the Chinese nation”. By establishing vocational colleges, he hoped to sponsor students from poor families and established vocational school in order to help them to escape from poverty, and offer more opportunities for them to have high school education.

Such that more students with high potential can study at vocational school and have further education. As a result it is expected that the view of society on vocational education can be changed.

Guangdong Country Garden Vocational College held the opening ceremony on 28 September 2014. The college was located in the southeast of provincial teaching model base of Dongcheng Street, Qingcheng District of Qingyuan. The total site area was approximately 300 mu and the planned gross floor area was approximately 176,000 sqm (including teaching and training building, administration building, library, gym, teachers’ dormitory, students’ dormitory, canteens etc.) The college planned to enroll a total number of 2,500 students. The selected candidates would be fully exempted from tuition fees. The total investment was RMB450 million, invested entirely by Guangdong Guoqiang Charity Fund. Guangdong Country Garden Vocational College is the only charitable vocational college in China.

In terms of educational programs, as of 2014, the Zhongming Charity School Fund established by Mr. YEUNG Kwok Keung has provided students funding for 17 consecutive years. In 2014 a total number of 566 college students were sponsored by the charity program. The charity schools (Guohua Memorial High School and Guoliang Vocational Training School) established by Mr. YEUNG Kwok Keung, continued to operate and have helped a large number of young people and special talents.

In terms of poverty alleviation programs, Country Garden has commenced a lot of work for poverty alleviation. Country Garden established specialized poverty-alleviating offices and launched poverty alleviation in six poverty alleviation sites in Guangzhou, Qingyuan and Zhaoqing in Guangdong Province. Among them, the green poverty alleviation program in Shushan Village, Yingde, Qingyuan has become an benchmark of poverty alleviation. Since 2012 Country Garden assigned 6 staff members to Shuitou Town, Qingyuan, Guangdong, to launch programs on skill enhancement sponsoring students of vocational school to take training program on nursery, forklift truck, electric work, agricultural planting. Over two years, 13,462 students were trained and 162 training sessions were held. 5,089 people passed the examinations and obtained related job certificates, and 2,525 people were employed. Over 8,000 households were benefited, representing a benefit rate of 95%, and the income per household has increased by 15% compared with pre-training period.

Country Garden Volunteer Association is a staff-oriented charity organization with a mission to promote and implement Country Garden’s entrepreneurship and to serve the society. The volunteers mainly consist of the staff of the Group, property owners, teachers and students of Country Garden School, people subsidized by Country Garden and the Group’s stakeholders. The organizers and leading members are mainly the staff of the Group. In 2014, over 100 volunteer events were launched across China where the Group’s projects were located, targeting mainly children and old people. The volunteers were highly appreciated by governments, collaborating companies and local people. In 2014 the Country Garden Volunteer Association became a joint-member association of Foshan Volunteer Association, and a member of the 4th China Youth Volunteer Association Board.



Awards of the Group’s Human Resources Centre

## STAFF DEVELOPMENT

In 2014, the Group received numerous awards in terms of human resources, including “Outstanding Performance for Best HR Management Strategy of 2014”, “100 Best HRM Companies of 2014”, “2013 Best Corporate for Human Resource Development” and “2013 Employer of the Year”. Winning numerous awards has shown the human resource management of the Group were recognized by the industry.

## Regulations and Guidances

Country Garden has a formal, clear and complete organizing controlling system. Every year the Group collaborates with consulting companies to optimize the Group’s regulation and guidance system under the principle of being simple, systematic and effective.

## Group-level systems

Every year the Group collaborates with consulting companies to optimize the Group's regulation and guidance system with the principle of being simple, systematic and effective. Currently two types of system files have been completed.



### Comprehensive management system

- 8 chapters, 64 sections
- 130,000 words

including operation, finance, human resources, strategy, administration, information, auditing and legal matters



### Project development system

- 7 chapters, 67 sections
- 220,000 words

including investment, design, cost, procurement, engineering, sales and customer service

## Center-level systems

12 functional centers have center-level files and are responsible for supervision and self-examination, regular reviews and optimization.

Responsible for formulation, supervision and self-examination, regular reviews and optimization of the Group-level systems.

## Regional-level systems

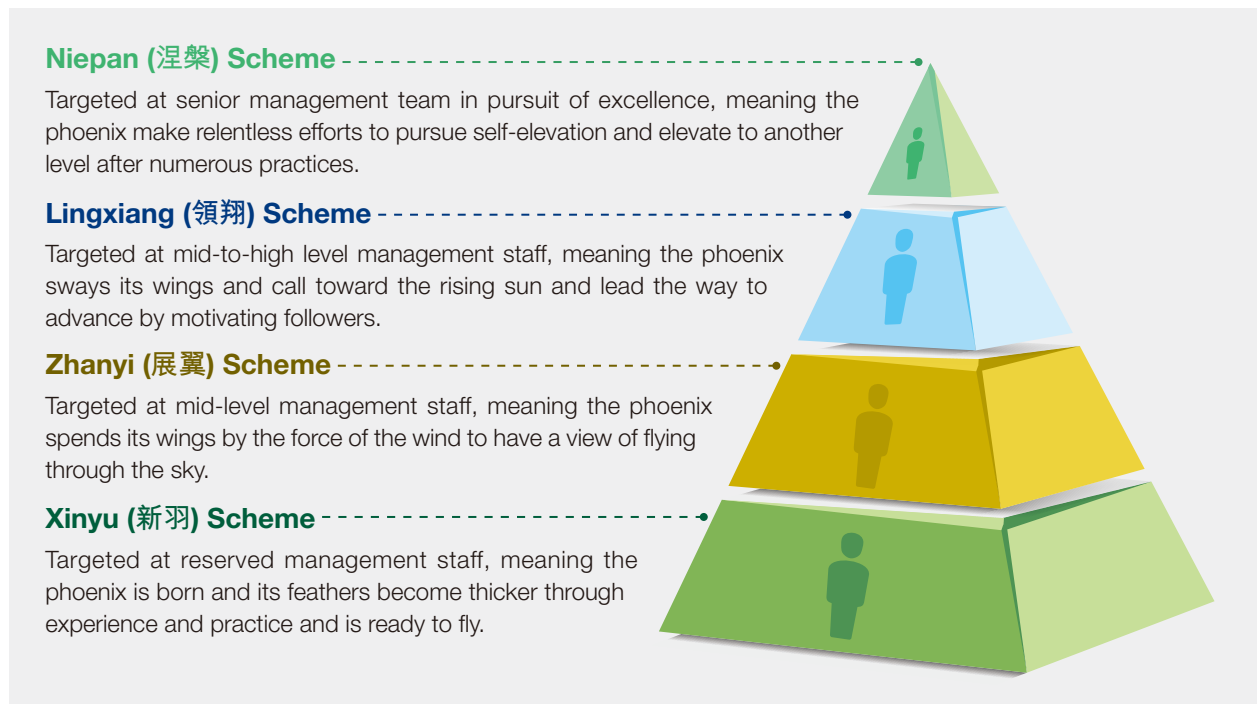
30 regions have regional-level files and are responsible for supervision and self-examination, regular reviews and optimization.

Assisting the supervision and self-examination, regular reviews and optimization Group-level and Regional-level.

The Group's regulation and guidance system

## Staff Training

Country Garden deeply acknowledges that it is elites who are driving the corporate's sustainable development, and they are also indissoluble strategic resources. Therefore the company's human resources development covers different aspects, including leadership development program, training camps for new staff members, and on-the-job training. These programs can help staff members to become competitive in real-estate industry.



Schemes which contribute to the sustainability of talents

Besides, Country Garden also offers training camps for new staff members letting them have a better understanding of the Group and its corporate culture, increasing their sense of belonging and identity and help them blend in quickly.

Country Garden encourages staff members to pursue life-long learning. Through the career mentorship scheme, e-learning online education platform, and internal training instructor scheme, the Group provides staff members with systematic and professional training courses. The Group has internal open lectures and public learning platform on Wechat, which makes learning accessible to employees wherever they are.

## ENVIRONMENTAL PROTECTION



Headquarters of the Group, Shunde

In 2014, Country Garden proposed “To develop real estate with construction mentality”. The reform included improving efficient utilization of resources and the idea of reducing construction wastes. Meanwhile, by adopting “new materials, new equipment, new technologies and

new crafts”, the Group increased the use of environmental-friendly materials and reduces construction pollution. In Malaysia, Country Garden introduced industrialized manufacturing of constructions which not only improved efficient utilization of resources, but also significantly reduced the noise pollution and construction errors in construction sites.

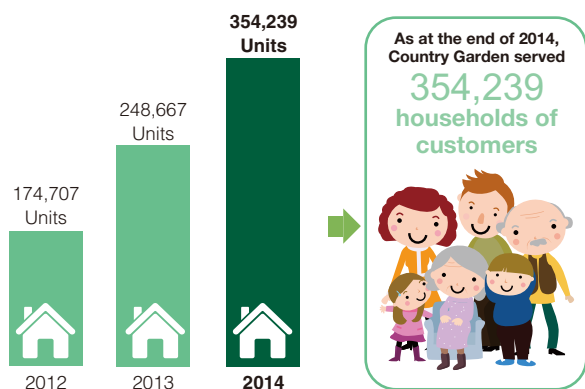
The headquarters building of Country Garden — Country Garden Center — was put into operation in 2014. This is China’s first ecological office building. The exterior of the building has a vertical plantation coverage rate of over 60%. With smart spraying technology, rain water is collected for irrigation which reduced water use by recycling. The exterior plantation of the building can effectively adjust room temperature and humidity. According to statistics, the room temperature of Country Garden Center is one or two degrees lower than other buildings in the same region, which saves energy during the summer. Based on similar technologies, the headquarters building of Country Garden in Eastern China would be a similar ecological office. In the contest of the 11th Annual Elaboration Award by National Department of Science and Technology in 2014, the headquarters building of Country Garden was awarded the honor of “the Category of the Living-Suitable Award”. In addition, Zhangjiajie Country Garden was awarded the honor of “the Most Excellent Design”.

In recent years, through well-equipped network platform, and reviewing working procedure through the intranet, the Group has adopted a paperless working procedure. The Group optimized its network by using multi-side phones, and a video-conference system to replace avoidable business trips and increase communication efficiency. The Group also encourages green travelling within the Group.

Country Garden has conducted an in-depth research in the desertification of land. The number of projects of Country Garden is gradually increasing in the Northwestern Region where land desertification is becoming more serious and the ecological conditions are not optimistic. To build a beautiful home, Country Garden conducted in-depth researches on soil and has achieved certain accomplishments. In Lanzhou, by scientifically analyzing soil conditions, the climate, hydrological conditions, and geographical environment. Country Garden set out a plan to rectify such a situation and achieved success in Lanzhou Country Garden. This has effectively improved not only the local living conditions, but also the greening level there.

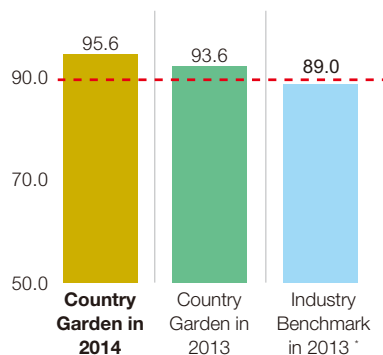
buyers have been of approximately 58% of the total sales for three consecutive years. The Group's customers have been loyal and supportive to Country Garden. The principle of Country Garden's sales and marketing is to respect and understand customers. What the Group is consistently pursuing is to continuously provide customers with products and services that exceed their expectation.

### CUSTOMER RELATIONS



During the period of 2012-2014, the compound annual growth rate of numbers of Country Garden households is over 40%

“Five star living for you” is the core value of Country Garden and its customer service concept. Since 2012, the Group has been promoting sales referred by the employees and property owners. Deals closed with existing property owners’ referral and repetitive purchase by former home



The satisfactory results of 2014 and its comparison with the industry benchmark of 2013

\* Source: Horizon Research Consultancy

As we have stepped into the RMB100 billion club, the number of housing units delivered has been increasing rapidly. Over 100,000 housing units were delivered in 2014. The proportion of housing with decoration was over 80% with satisfaction rate of 95% upon delivery. The requirements of delivering decorated housing were far more difficult than undecorated units. Country Garden has given customers a satisfactory answer with high quality product and services.





Country Garden Customer Service is serving customers via 400 call-center

Since 2013, the Group has invited a third-party institution to conduct a satisfactory survey nationwide every year. The satisfactory score for 2014 reached 95.6%, far higher than the industrial average.

Since 2014, Country Garden has introduced the “Happy Home Returning” program to its customers. Through service sections of happy escort, happy home letter, happy gift pack, happy home returning, happy living and happy waiting. Within one year from the completion of contract signing procedure to the housing units being delivered to home owners, the Group has been providing the property owners with perfect products and services and improved every detail whole-heartedly.



At Country Garden — Ten Miles Beach, engineers are welcoming customers

Quality management was introduced to the Group. As the internal spokesperson of the customers, the Customer Service Department had veto rights, assured quality for the property owners with the most picky eyes and gave feedbacks to the relevant departments including engineering, design, sales, procurement, cost, etc. The rectification suggestions would be 100% taken care of before the delivery, so better products could be delivered to the customers.

The Group was committed to customer satisfaction and has established a joint department working group to provide the best customer experience. Furthermore, in an era of smart phones and internet, we set up a Wechat platform for customers which not only utilized the existing resources of the Group, but also successively made online services available which increased customer satisfaction.

# CORPORATE GOVERNANCE REPORT

The Group continues to improve its corporate governance practices, emphasizing the attainment and maintenance of a quality board of directors, sound risk management and internal controls, and high transparency and accountability to Shareholders. The Board and management are committed to principles of good corporate governance consistent with prudent management and enhancement of shareholder value. The Board believes that good corporate governance will bring long-term benefits to the Shareholders and to the Group.

## CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Corporate Governance Code throughout the year ended 31 December 2014, except for the deviation from the code provision E.1.2 of the Corporate Governance Code. Under the first part of code provision E.1.2 of the Corporate Governance Code, the chairman of the board should attend the annual general meeting. The Chairman was unable to attend the 2014 AGM due to another business engagement. Mr. MO Bin, the President and an executive Director, chaired the 2014 AGM on behalf of the Chairman and was available to answer questions.

## COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the code for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard of dealings set out therein throughout the year ended 31 December 2014. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

## BOARD OF DIRECTORS

### Composition

The Board currently consists of 14 executive Directors, namely, Mr. YEUNG Kwok Keung (Chairman), Ms. YANG Huiyan (vice Chairman), Mr. MO Bin (President), Mr. ZHU Rongbin (associate President), Mr. WU Jianbin (Chief Financial Officer), Ms. YANG Ziyang, Mr. YANG Erzhu, Mr. SU Rubo, Mr. OU Xueming, Mr. YANG Zhicheng, Mr. XIE Shutai, Mr. SONG Jun, Mr. LIANG Guokun and Mr. SU Baiyuan; and eight independent non-executive Directors, namely, Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham, Mr. TONG Wui Tung, Ronald, Mr. HUANG Hongyan, Ms. HUANG Xiao, Mr. LIU Hongyu, Mr. MEI Wenjue and Mr. YEUNG Kwok On. An updated list of the Directors and their roles and functions is published on the websites of the Stock Exchange and the Company respectively.

Mr. WU Jianbin and Mr. YEUNG Kwok On were appointed as an executive Director and an independent non-executive Director respectively with effect from 1 April 2014. Mr. YANG Yongchao had resigned as an executive Director with effect from 19 August 2014.

Ms. YANG Huiyan and Ms. YANG Ziyang are daughters of Mr. YEUNG Kwok Keung and Mr. YANG Zhicheng and Mr. YANG Yongchao are nephews of Mr. YEUNG Kwok Keung. Save as disclosed above, none of other Directors has or maintained any family relationship with any of the other Directors.

### **Independent Non-executive Directors**

The independent non-executive Directors are of sufficient number and caliber for their views to carry weight. The functions of independent non-executive Directors include:

- expressing an independent view and judgement at Board meetings;
- taking the lead where potential conflicts of interests arise;
- serving on Board committees if invited; and
- scrutinizing the Company's performance and monitoring performance reporting.

The independent non-executive Directors have made a positive contribution to the development of the Company's strategies and policies through independent, constructive and informed comments. They benefit the Board and the Board committees by their skills, expertise, varied backgrounds and qualifications through regular attendance and active participation.

In addition to the regular Board meetings, the Chairman met with the independent non-executive Directors without the presence of the executive Directors during 2014.

Composition of the Board is disclosed, and the independent non-executive Directors are identified, in all corporate communications to Shareholders.

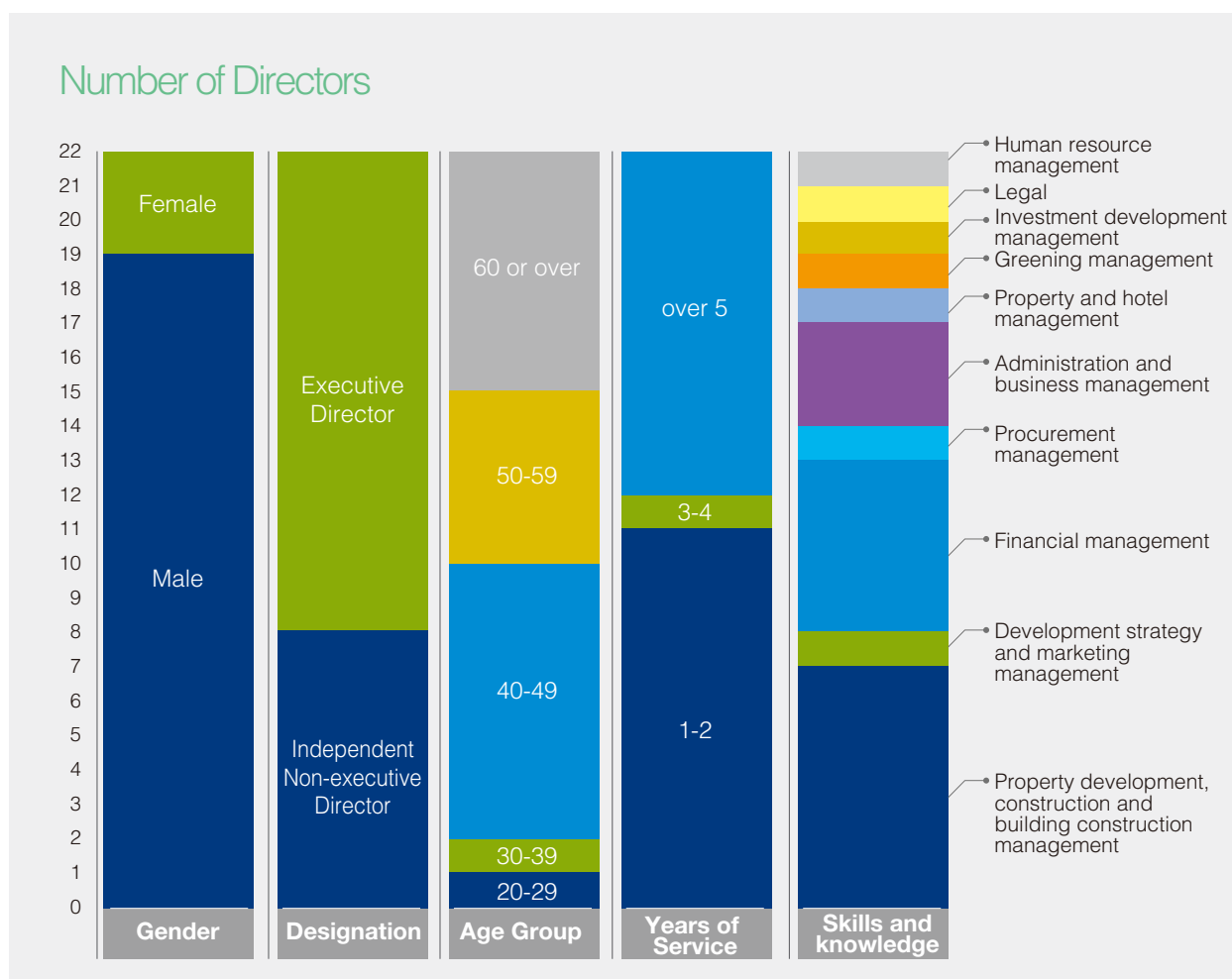
### **Confirmation of Independence**

The independence of the independent non-executive Directors has been assessed in accordance with the applicable Listing Rules. Each of the independent non-executive Directors has made an annual written confirmation of independence pursuant to rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the guidelines for assessing independence set out in rule 3.13 of the Listing Rules and are independent.

### **Board Diversity Policy**

The Board has adopted a board diversity policy effective 6 August 2013. The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, skills, knowledge and length of service. The ultimate selection decision will be based on merit and contribution to the Board.

An analysis of the current Board composition based on the range of diversity perspectives is set out as follows:



Each of Board members possessed different skills and knowledge, including property development, construction and building construction management, development strategy and marketing management, financial management, procurement management, administration and business management, property and hotel management, greening management, investment development management, legal and human resource management, etc.. The Board is characterized by significant diversity in terms of gender, age, designation, length of service, skills and knowledge.

### Roles and Functions of the Board and the Management

The Board assumes responsibility for leadership and control of the Company; and is collectively responsible for directing and supervising the Company's affairs. The Board is fully responsible for the formulation of business policies and strategies in relation to the business operation of the Group, including dividend policy and risk management strategies. The management are delegated the authority and responsibilities by the Board for the day-to-day management and operation of the Group.

## Appointment and Re-election of Directors

All executive Directors have entered into service contracts with the Company and all independent non-executive Directors have entered into letter of appointments with the Company with a specific term of two years setting out key terms and conditions of their appointments. All Directors are subject to retirement in accordance with the Articles of Association.

According to the Articles of Association, (i) Directors appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after appointment and be subject to re-election at such meeting; and (ii) at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement at an annual general meeting at least once every three years. As such, no Directors have a term of appointment longer than three years.

## Board Meetings

The Board holds at least four meetings a year at approximately quarterly intervals. Additional meetings would be arranged, if and when required. The date of each meeting is decided in advance to enable the Directors to attend the meeting in person. For those Directors who are not able to attend these meetings in person, participation by telephone conference is available.

Notice of at least 14 days shall be given of a regular Board meeting to give all Directors an opportunity to attend. The draft of the Board's agenda shall accompany the notice of the Board sending to the Directors so as to allow the Directors to have sufficient times to propose matters for inclusion in the agenda. For all other Board meetings, reasonable notice will be given. To ensure that all Directors are properly informed on matters to be discussed at each meeting, documents in relation to the meeting are sent to each Director at least 3 days prior to the meeting.

If a substantial Shareholder or a Director has a conflict of interest in a matter which the Board has determined to be material, the matter will be dealt with by a physical Board meeting rather than a written resolution.

The company secretary prepares detailed minutes of each meeting. After the meeting, draft and final versions of the minutes would be sent to Directors for comments and records respectively as soon as practicable. Minutes of Board meetings and Board committees meetings are kept by the company secretary and are open for inspection by any Director.

During the year, the Directors have made active contribution to the affairs of the Group and seven Board meetings were held to consider, among other things, various transactions contemplated by the Group and to review and approve the interim results and annual results of the Group. According to article 103(1) of the Articles of Association, a Director shall not be entitled to attend any Board meeting for approving any transaction in which he or his associates is materially interested. Any Board meeting which a Director is not so entitled to attend shall not be taken into account in determining that Director's attendance record.

## Attendance Record of Directors

The attendance record of Directors at the meetings of Board, Board committees and Shareholders held during the year ended 31 December 2014 is set out below:

Directors	Number of meetings attended/Number of meetings held in 2014							Annual General Meeting
	Board	Audit Committee	Nomination Committee	Remuneration Committee	Corporate Governance Committee	Executive Committee <small>Note 3</small>	Finance Committee <small>Note 4</small>	
<b>Executive Directors</b>								
Mr. YEUNG Kwok Keung (Chairman)	6/7	N/A	2/2	3/4	2/2	12/16	N/A	0/1
Ms. YANG Huiyan (Vice Chairman)	6/7	N/A	N/A	N/A	2/2	13/16	11/19	0/1
Mr. MO Bin (President)	7/7	N/A	N/A	4/4	2/2	16/16	19/19	1/1
Mr. ZHU Rongbin (Associate President)	7/7	N/A	N/A	N/A	N/A	13/16	N/A	1/1
Mr. WU Jianbin <sup>note 1</sup> (Chief Financial Officer)	5/5	N/A	N/A	N/A	N/A	15/16	17/19	1/1
Ms. YANG Ziying	6/7	N/A	N/A	N/A	N/A	11/16	N/A	0/1
Mr. YANG Erzhu	6/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
Mr. SU Rubo	6/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
Mr. OU Xueming	6/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
Mr. YANG Zhicheng	6/7	N/A	N/A	N/A	N/A	14/16	N/A	0/1
Mr. YANG Yongchao <sup>note 2</sup>	2/4	N/A	N/A	N/A	N/A	9/9	N/A	0/1
Mr. XIE Shutai	6/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
Mr. SONG Jun	6/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
Mr. LIANG Guokun	6/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
Mr. SU Baiyuan	5/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
<b>Independent Non-executive Directors</b>								
Mr. LAI Ming, Joseph	6/7	3/3	1/2	3/4	N/A	N/A	N/A	1/1
Mr. SHEK Lai Him, Abraham	6/7	3/3	N/A	4/4	N/A	N/A	N/A	0/1
Mr. TONG Wui Tung, Ronald	6/7	3/3	2/2	4/4	N/A	N/A	N/A	0/1
Mr. HUANG Hongyan	7/7	3/3	2/2	4/4	N/A	N/A	N/A	1/1
Ms. HUANG Xiao	7/7	3/3	2/2	4/4	N/A	N/A	N/A	1/1
Mr. LIU Hongyu	6/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
Mr. MEI Wenjue	5/7	N/A	N/A	N/A	N/A	N/A	N/A	0/1
Mr. YEUNG Kwok On <sup>note 1</sup>	5/5	N/A	N/A	N/A	N/A	N/A	N/A	1/1

Note 1: Mr. WU Jianbin and Mr. YEUNG Kwok On were appointed as executive Director and independent non-executive Director respectively on 1 April 2014. After their appointments, five Board meetings were held.

Note 2: Mr. YANG Yongchao resigned as executive Director with effect from 19 August 2014. Before his resignation, four Board meetings and nine Executive Committee meetings were held.

Note 3: The Executive Committee was established in June 2014.

Note 4: The Finance Committee was established in August 2014.

## Access to Information

All Directors are kept informed on a timely basis of major changes that may have affected the Group's business, including relevant rules and regulations and are able to make further enquiries when necessary. Sufficient explanation and information have been provided to the Board to enable the Board to make an informed assessment of financial and other information put before it for approval. They also have unrestricted access to the advices and services of the company secretary, who is responsible for providing the Directors with board papers and related materials. A monthly update which gives a balanced and concise assessment of the Company's performance, position and prospects in sufficient details is provided to all Directors to enable the Board as a whole and each Director to discharge their duties. The Board has also agreed that the Directors may seek independent professional advice in performing their Directors' duties at the Company's expenses.

## Directors and Officers Liability Insurance

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

## Directors' Training and Professional Development

Every newly appointed Director has been given a comprehensive, formal and tailored induction on appointment. Subsequently, Directors will receive updates on the Listing Rules, legal and other regulatory requirements and the latest development of the Group's business and are encouraged to participate in continuous professional development to develop their knowledge and skills.

During 2014, Directors have participated CPD. All Directors have provided to the Company their record of training received for the year. A summary of their records of training is as follows:

Directors	Types of CPD (Note 1)	Subject of CPD (Note 2)
<b>Executive Directors</b>		
Mr. YEUNG Kwok Keung ( <i>Chairman</i> )	1, 2	A, B
Ms. YANG Huiyan ( <i>Vice Chairman</i> )	1, 2	A, B
Mr. MO Bin ( <i>President</i> )	1, 2	A, B
Mr. ZHU Rongbin ( <i>Associate President</i> )	1, 2	A, B
Mr. WU Jianbin <sup>Note 3</sup> ( <i>Chief Financial Officer</i> )	1, 2	A, B
Ms. YANG Ziyang	1, 2	A, B
Mr. YANG Erzhu	1, 2	A
Mr. SU Rubo	1, 2	A
Mr. OU Xueming	1, 2	A
Mr. YANG Zhicheng	1, 2	A
Mr. XIE Shutai	1, 2	A
Mr. SONG Jun	1, 2	A
Mr. LIANG Guokun	1, 2	A
Mr. SU Baiyuan	1, 2	A
<b>Independent Non-executive Directors</b>		
Mr. LAI Ming, Joseph	1, 2	B
Mr. SHEK Lai Him, Abraham	1, 2	B
Mr. TONG Wui Tung, Ronald	1, 2	B
Mr. HUANG Hongyan	1, 2	B
Ms. HUANG Xiao	1, 2	B
Mr. LIU Hongyu	1, 2	B
Mr. MEI Wenjue	1, 2	B
Mr. YEUNG Kwok On <sup>Note 3</sup>	1, 2	B



Note 1:

1. Attending in-house briefings/training, seminars, conference or forums
2. Reading newspapers, journals and updates

Note 2:

- A. Businesses related to the Company
- B. Laws, rules and regulations, accounting standards

Note 3: Mr. WU Jianbin and Mr. YEUNG Kwok On were appointed as an executive Director and an independent non-executive Director respectively with effect from 1 April 2014.

## CHAIRMAN AND PRESIDENT

The roles of the Chairman and the President are segregated to reinforce independence, accountability and responsibility. Mr. YEUNG Kwok Keung, being the Chairman, is responsible for the formulation of the development strategies, investment planning, overall project planning of the Group and providing leadership for the Board and ensuring that the Board functions properly and effectively, whilst Mr. MO Bin, the President, is responsible for the management of daily operation and general administration of the Group. Their respective responsibilities are clearly established and defined by the Board in writing.

In performing the role of Chairman, Mr. YEUNG Kwok Keung is responsible for, among other things:

- ensuring that good corporate governance practices and procedures are established;
- ensuring that all Directors are properly briefed on issues arising at Board meetings and that all Directors receive, in a timely manner, adequate information which must be accurate, clear, complete and reliable;

- encouraging all Directors to make a full and active contribution to the Board's affair and to voice their concerns even with different views, allowing sufficient time for discussion of issues, ensuring that Board decisions fairly reflect Board consensus, and taking the lead to ensure that it acts in the best interests of the Group;
- ensuring that appropriate steps are taken to provide effective communication with Shareholders and their views are communicated to the Board as a whole; and
- promoting a culture of openness and debate by facilitating the effective contribution of independent non-executive Directors in particular and ensuring constructive relations between executive and independent non-executive Directors.

In performing the role of President, Mr. MO Bin is responsible for, among other things:

- organizing and manage the Group's business;
- leading the corporate team to implement the strategies and plans established by the Board; and
- coordinating overall daily business operations of the Group.

## BOARD COMMITTEES

The Board has established six committees with specific written terms of reference to oversee particular aspects of the Company's affairs.

### Audit Committee

The Audit Committee was established in December 2006 with written terms of reference, which are posted on the websites of the Stock Exchange and the Company respectively. The members of the Audit Committee are all of the independent non-executive Directors, namely Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham, Mr. TONG Wui Tung, Ronald, Mr. HUANG Hongyan and Ms. HUANG Xiao. Mr. LAI Ming, Joseph who has appropriate professional accounting qualifications and financial management expertise as required under the Listing Rules, was appointed as the chairman of the Audit Committee. None of the members of the Audit Committee are former partners of the auditors of the Company.

The principal duties of the Audit Committee include, among other things: (i) being primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor; (ii) reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; (iii) developing and implementing policy on engaging an external auditor to supply non-audit services; (iv) monitoring integrity of the Company's financial statements and the annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them; (v) reviewing the Company's financial controls, internal control and risk management systems; and (vi) discussing the internal control system with management to ensure that management has performed its duty to have an effective internal control system. The Audit Committee may seek any necessary information

from employees within its terms of reference and obtain independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. During 2014, the Audit Committee has duly discharged the above duties.

### Nomination Committee

The Nomination Committee was established in March 2012 with written terms of reference, which are posted on the websites of the Stock Exchange and the Company respectively. The Nomination Committee is being chaired by an executive Director, Mr. YEUNG Kwok Keung and consists of four members, of whom four are independent non-executive Directors being Mr. LAI Ming, Joseph, Mr. TONG Wui Tung, Ronald, Mr. HUANG Hongyan and Ms. HUANG Xiao.

The principal duties of the Nomination Committee include, among other things: (i) reviewing the structure, size and composition of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (ii) identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; (iii) assessing the independence of independent non-executive Directors; and (iv) making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors. The Nomination Committee may seek any necessary information from employees within its scope of duties and obtain independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. During 2014, the Nomination Committee has duly discharged the above duties.

## Remuneration Committee

The Remuneration Committee was established in December 2006 with written terms of reference, which are posted on the websites of the Stock Exchange and the Company respectively. The Remuneration Committee is being chaired by an independent non-executive Director, Mr. TONG Wui Tung, Ronald and consists of six members, of whom two are executive Directors being Mr. YEUNG Kwok Keung and Mr. MO Bin, and four are independent non-executive Directors being Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham, Mr. HUANG Hongyan and Ms. HUANG Xiao.

The principal duties of the Remuneration Committee include, among other things: (i) making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management of the Group; (ii) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (iii) making recommendations to the Board on the remuneration packages of individual Directors and senior management. The Remuneration Committee may consult the Chairman or the President about their remuneration proposals for other executive Directors, seek any necessary information from employees within its terms of reference and obtain independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. During 2014, the Remuneration Committee has duly discharged the above duties.

The remuneration of the member of the senior management by band for the year ended 31 December 2014 is set out below:

RMB	Number of senior management
Below 1,000,000	1
1,000,001 to 2,000,000	3
3,000,001 to 4,000,000	1
4,000,001 to 5,000,000	2
5,000,001 to 6,000,000	1
6,000,001 to 7,000,000	2
7,000,001 to 8,000,000	1
9,000,001 to 10,000,000	1

## Corporate Governance Committee

The Corporate Governance Committee was established in March 2012 with written terms of reference. The members of the Corporate Governance Committee are all of the executive Directors, namely Mr. YEUNG Kwok Keung, Ms. YANG Huiyan and Mr. MO Bin. Mr. YEUNG Kwok Keung was appointed as the chairman of the Corporate Governance Committee.

The principal duties of the Corporate Governance Committee include, among other things: (i) developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board; (ii) reviewing and monitoring the training and continuous professional development of Directors and senior management; (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to the Group's employees and Directors; and (v) reviewing the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report. The Corporate Governance Committee may seek any necessary information from employees within its terms of reference and obtain independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. During 2014, the Corporate Governance Committee has duly discharged the above duties.

## Executive Committee

The Executive Committee was established in June 2014 with written terms of reference. The members of the Executive Committee are all of the executive Directors, namely Mr. YEUNG Kwok Keung, Ms. YANG Huiyan, Mr. MO Bin, Mr. ZHU Rongbin, Mr. WU Jianbin, Ms. YANG Ziying and Mr. YANG Zhicheng. Mr. YEUNG Kwok Keung was appointed as the chairman of the Executive Committee.

The principal duties of the Executive Committee include, among other things: (i) discussing and making decisions on matters relating to the management and operations of the Company including but not limited to corporate matters, financial/treasury planning and to form strategy; (ii) considering and making recommendations to the Board on acquisitions of or investments in business or projects; and (iii) reviewing and discussing any other matters, as may from time to time, be delegated by the Board. The Executive Committee may seek any necessary information from senior management within its terms of reference and obtain independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. During 2014, the Executive Committee has duly discharged the above duties.

### Finance Committee

The Finance Committee was established in August 2014 with written terms of reference. The Finance Committee is being chaired by an executive Director, Mr. WU Jianbin and consists of five members, of whom two are executive Directors being Ms. YANG Huiyan and Mr. MO Bin, and three are senior management of finance centre of the Company being Ms. WU Bijun, Mr. FU Yuanchun and Mr. LUO Jie.

The principal duties of the Finance Committee include, among other things: (i) responsible for the management of finance and capital; and (ii) approval of any financial projects and/or guarantees whose upper limits are USD300 million per transaction. The Finance Committee may seek any necessary information from senior management within its terms of reference and obtain independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. During 2014, the Finance Committee has duly discharged the above duties.

### COMPANY SECRETARY

Mr. HUEN Po Wah, who is a director of Fair Wind Secretarial Services Limited providing professional

services to various listed companies, was appointed as the company secretary of the Company. Although Mr. HUEN is not a full time employee of the Company, he is responsible for advising the Board on governance matters. Mr. HUEN has confirmed that he has taken no less than 15 hours of relevant professional training during 2014. The primary contact person of the Company with the company secretary of the Company is Ms. SIN Lai Lan, the head of the listing company secretariat of the Company.

### INTERNAL CONTROLS

The Board has the overall responsibility for maintaining sound and effective internal control systems to safeguard the Group's assets and Shareholders' interests, as well as, with the Audit Committee, for reviewing the effectiveness of these systems. The internal audit department is delegated to ensuring and maintaining sound internal control functions by continuously reviewing and monitoring the internal control systems and procedures so as to ensure that they can provide reasonable assurance against misstatement or loss and to manage risks of failure in the Group's operational systems. In addition, the Company has engaged independent consultants to conduct review of the internal control system and risk management of the Group.

The Board, in conjunction with the Audit Committee, annually assessed and reviewed the effectiveness of the internal control systems and procedures and considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financing reporting function, and their training programmes and budget. During the year, the Audit Committee has reviewed reports from internal audit department and independent consultants with their findings and recommendations for improving the internal control system of the Group and is satisfied that there is an ongoing process in place for identifying, evaluating and managing the significant risks faced by the Group.

## WHISTLEBLOWER POLICY

The Group has established a whistleblower policy to facilitate the raising of concerns by employees since 2008. Procedures are established for employees to report complaints and internal malpractice to the head of legal department of the Company, who will review complaints and determine the mode of investigation and subsequent action.

## AUDITOR'S REMUNERATION

For the year ended 31 December 2014, the remuneration paid/payable to the auditor of the Company is set out as follows:

Service rendered	RMB'000
Statutory audit services for 2014	6,900
Non-statutory audit services in relation to:	
The issuance of senior notes and shares allotment	1,700
Agree upon procedures	50
Advice on internal control	580

## DIRECTORS' RESPONSIBILITY ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements for the year ended 31 December 2014, which were prepared in accordance with statutory requirements and applicable accounting standards. The Board aims to present a balanced, clear and understandable assessment of the Group's position and prospects in annual reports, interim reports and other financial disclosures required by the Listing Rules.

The reporting responsibility of the external auditor of the Company on the consolidated financial statements of the Group are set out in the independent auditor's report on pages 118 to 119 of this annual report.

## COMMUNICATION WITH SHAREHOLDERS

The Board adopted a shareholders' communication policy reflecting the current practices of the Company for communication with its Shareholders, which is posted on the websites of the Company. The general meeting of the Company provides a platform for Shareholders to exchange views with the Board.

## SHAREHOLDERS' RIGHT

Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company can make a written requisition to the Board or the secretary of the Company to require an extraordinary general meeting to be convened pursuant to article 58 of the Articles of Association. The written requisition must state the objects of the meeting, and must be signed by the relevant Shareholder(s) and deposited at the registered office of the Company at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands, in addition to the principal place of business in Hong Kong at Suite 1702, 17/F., Dina House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong.

If within 21 days of the deposit of the requisition the Board fails to proceed to convene an extraordinary general meeting, the relevant Shareholder(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the relevant Shareholder(s) as a result of the failure of the Board shall be reimbursed to the relevant Shareholder(s) by the Company.

There are no provisions under the Articles of Association or the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands regarding procedures for shareholders to put forward proposals at general meetings other than a proposal of a person for election as director. Shareholders may follow the procedures set out above to convene an extraordinary general meeting for any business specified in such written requisition.

Shareholders may at any time send their enquiries and concerns to the Board in writing to the Board or the company secretary of the Company at the principal place of business in Hong Kong or by email to [ir@countrygarden.com.cn](mailto:ir@countrygarden.com.cn).

## CONSTITUTIONAL DOCUMENTS

During 2014, there is no change in the Company's constitutional documents.

## INVESTOR RELATIONS

As a listed company, the Group respects voices from Shareholders and capital market. The Group is constantly committed to enhancing the information transparency of the Company, and strengthens the level of corporate governance so as to strive for greater value for the Shareholders.

The Group formulated a systematic platform for information disclosure and communication. The Group facilitates communication through various channels such as internet networks, site visits and meetings, and timely responses to the demand from Shareholders and investors.

In 2014, the Group further optimized its monthly newsletters and results presentation in order to strengthen information breakdown that generally improved the quality of information disclosure. During the year, the Group continued its close communication with investors by organizing annual and interim results meetings with



2014 Interim Results Announcement of the Company

analysts and media, reverse roadshows and corporate open days, and participating roadshows held by various financial institutions in Asia-Pacific region, North America and Europe. In addition, the Group timely introduced to investors its operating results, development strategy and business updates that enhanced investors' understanding and confidence on the Group. Meanwhile, the dedicated team of the Group timely concluded and analyzed information of the capital market, and gave feedbacks to the management in a systematic manner. The way of communication between the Group and the capital market is recognized by the capital market. The Group received the "Best Investor Relations Solution" by the Institutional Investor magazine during the year.

Looking forward, the dedicated investor relations team will, by ways of phones, emails, online interaction platform, meetings, and project visits, continue its interaction with investors, listen to opinions from the market, convey information of the Group and protect the long-term trust between investors and the Group.

Details of the Group's business development and operation, financial information, corporate governance and other information, as well as information updates are available to the public on the Group's website [www.countrygarden.com.cn](http://www.countrygarden.com.cn).

The list of the Group's main investor relations events in 2014:

<b>Date</b>	<b>Activity</b>	<b>Location</b>
12-Mar	Announcement of 2013 Annual Results <ul style="list-style-type: none"> <li>• Press Conference</li> <li>• Briefing with Analysts</li> </ul>	Hong Kong
13~14-Mar	Post Results Roadshow	Hong Kong
24~25-Mar	Credit Suisse 17th Annual Asian Investment Conference	Hong Kong
11-Apr	UBS HK/China Property Conference 2014	Hong Kong
28-Apr	HSBC 5th Annual Greater China Property Conference	Hong Kong
29~30-Apr	Fixed Income Roadshow	Hong Kong, Singapore
1~6-May	Fixed Income Roadshow	London, Boston, New York
9-May	Macquarie Greater China Conference	Hong Kong
12-May	Country Garden Senior Management Sharing Session in HK	Hong Kong
13-May	DBS Vickers Pulse of Asia Conference in HK	Hong Kong
14~15-May	Morgan Stanley Fifth Annual Hong Kong Investor Summit	Hong Kong
16-May	Barclays Aisa Financial & Property Conference 2014	Hong Kong
3-Jun	CLSA HK/China Property Access Day	Hong Kong
10~11-Jun	J.P. Morgan Global China Summit 2014	Beijing
18-Jun	Country Garden Investor Visit Day	Shunde
20-Jun	Bank of America Merrill Lynch Greater China Property & Conglomerates Corporate Day	Hong Kong
24~25-Jun	CICC 2014 Investment Conference	Shanghai
27-Jun	Citi Asia Pacific Property Conference	Hong Kong
30-Jun	Credit Suisse China Property Corporate Day	Singapore
2-Jul	DBS Vickers Pulse of Asia Conference in Singapore	Singapore
19-Aug	Announcement of 2014 Interim Results <ul style="list-style-type: none"> <li>• Press Conference</li> <li>• Briefing with Analysts</li> </ul>	Hong Kong
20~26-Aug	Post Results Roadshow	Hong Kong, Singapore
22~23-Sept	J.P. Morgan Asia and CEEMEA Emerging Markets Corporate Conference	London
20-Oct	HSBC China Conference	Shanghai
28-Oct	Country Garden Sell-Side Analyst Management Meetings	Shunde
30-Oct	Jefferies 4th Annual Asia Summit	Hong Kong
4-Nov	Citi China Investor Conference 2014	Macau
6-Nov	Bank of America Merrill Lynch China Conference 2014	Beijing
12~13-Nov	Morgan Stanley Thirteenth Annual Asia Pacific Summit	Singapore
17-Nov	Goldman Sachs Greater China CEO Summit 2014	Hong Kong
27-Nov	Industrial Securities (Hong Kong) Strategy Conference 2015	Shenzhen
4-Dec	Nomura Investment Forum 2014	Tokyo
10-Dec	Nomura China Property Corporate Day	Hong Kong

# REPORT OF THE DIRECTORS

The Board is pleased to present the audited consolidated financial statements of the Group for the year ended 31 December 2014.

## PRINCIPAL ACTIVITIES

The Company is an investment holding company and its subsidiaries are principally engaged in the property development, construction, fitting and decoration, property management and hotel operation.

An analysis of the Group's revenue and operating results for the year by principal activities is set out in note 5 to the consolidated financial statements of the Group.

## RESULTS

The results of the Group for the year ended 31 December 2014 are set out in the consolidated statement of comprehensive income of the Group on pages 124 to 125 of this annual report.

## DIVIDENDS

The Directors recommend the payment of a final dividend of RMB14.75 cents (2013: RMB16.83 cents) per share for the year ended 31 December 2014 to Eligible Shareholders whose names appear on the register of members of the Company on Thursday, 28 May 2015 (record date).

The proposed final dividend shall be declared in RMB and paid in Hong Kong dollars. The final dividend payable in Hong Kong dollars will be converted from RMB at the average middle rate of RMB to Hong Kong dollars as announced by the People's Bank of China for the period from Thursday, 21 May 2015 to Thursday, 28 May 2015. It is expected that the final dividend warrants will be dispatched to Eligible Shareholders on or around Friday, 10 July 2015.

## PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment during the year are set out in note 6 to the consolidated financial statements of the Group.

## BORROWINGS

Details of the borrowings during the year are set out in note 22 to the consolidated financial statements of the Group.

## RESERVES

Details of the movements in reserves during the year are set out in note 25 to the consolidated financial statements of the Group.

As at 31 December 2014, the distributable reserve of the Company amounted to approximately RMB3,446,412,000 (2013: approximately RMB3,205,941,000).

## DONATIONS

The donations made by the Group during the year amounted to approximately RMB264,543,000 (2013: approximately RMB125,966,000).

## FINANCIAL SUMMARY

A financial summary of the Group is set out on page 54 of this annual report.



## MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2014, revenue attributable to the largest customer of the Group amounted to approximately 0.25% of the total revenue in the year and the five largest customers of the Group accounted for less than 30% of the Group's revenue in the year.

For the year ended 31 December 2014, purchases attributable to the largest supplier of the Group amounted to approximately 1.09% of the total purchases in the year and the five largest suppliers of the Group accounted for less than 30% of the Group's purchases in the year.

## DIRECTORS' AND SHAREHOLDERS' INTERESTS IN SUPPLIERS AND CUSTOMERS OF THE GROUP

During the year ended 31 December 2014, so far as the Directors are aware, the following persons who are Directors and their associates (as hereinafter mentioned) or are interested in more than 5% of the issued share capital of the Company had direct interest or indirect interest in the five largest customers and suppliers of the Group as follows:

Name of customer of the Group	Name of Directors or persons interested in more than 5% of the Company's share capital	Type of interest
Qingyuan CG	Ms. YANG Huiyan	52% equity interest
	Mr. YANG Erzhu	12% equity interest
	Mr. SU Rubo	12% equity interest
	Mr. OU Xueming	12% equity interest

Name of suppliers of the Group	Name of Directors or persons interested in more than 5% of the Company's share capital	Type of interest
Elite Architectural	Ms. YANG Huiyan	52% equity interest
	Mr. YANG Erzhu	12% equity interest
	Mr. SU Rubo	12% equity interest
	Mr. OU Xueming	12% equity interest

Wanfang Stone *	Ms. YANG Huiyan	28.6% equity interest
	Mr. YANG Erzhu	6.6% equity interest
	Mr. SU Rubo	6.6% equity interest
	Mr. OU Xueming	6.6% equity interest

Wanfang Construction *	Ms. YANG Huiyan	28.6% equity interest
	Mr. YANG Erzhu	6.6% equity interest
	Mr. SU Rubo	6.6% equity interest
	Mr. OU Xueming	6.6% equity interest

\* Those companies ceased to be the connected parties of the Company effective 24 October 2014.

Save as disclosed above, the Directors, their associates or any Shareholders (which to the knowledge of the Directors own more than 5% of the issued share capital of the Company) did not have any interests in the five largest customers and suppliers of the Group for the year ended 31 December 2014.

## SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in note 23 to the consolidated financial statements of the Group.

## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors during the year up to the date of this annual report are:

### Executive Directors

Mr. YEUNG Kwok Keung (*Chairman*)  
 Ms. YANG Huiyan (*Vice Chairman*)  
 Mr. MO Bin (*President*)  
 Mr. ZHU Rongbin (*Associate President*)  
 Mr. WU Jianbin (appointed on 1 April 2014)  
 (*Chief Financial Officer*) (appointed on 30 April 2014)  
 Ms. YANG Ziyang  
 Mr. YANG Erzhu  
 Mr. SU Rubo  
 Mr. OU Xueming  
 Mr. YANG Zhicheng  
 Mr. YANG Yongchao (resigned on 19 August 2014)  
 Mr. XIE Shutai  
 Mr. SONG Jun  
 Mr. LIANG Guokun  
 Mr. SU Baiyuan

### Independent Non-executive Directors

Mr. LAI Ming, Joseph  
 Mr. SHEK Lai Him, Abraham  
 Mr. TONG Wui Tung, Ronald  
 Mr. HUANG Hongyan  
 Ms. HUANG Xiao  
 Mr. LIU Hongyu  
 Mr. MEI Wenjue  
 Mr. YEUNG Kwok On (appointed on 1 April 2014)

In accordance with article 87 of the Articles of Association, Mr. YEUNG Kwok Keung, Mr. YANG Erzhu, Mr. SU Rubo, Mr. OU Xueming, Mr. YANG Zhicheng, Mr. LAI Ming, Joseph, Mr. HUANG Hongyan and Ms. HUANG Xiao shall retire from office by rotation and, being eligible, offer themselves for re-election at 2015 AGM.

No Director proposed for re-election at 2015 AGM has entered into a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation other than statutory compensation.

## CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

In accordance with rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by the Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) between 19 August 2014 (being the date of approval of the Company's interim report 2014) and 11 March 2015 (being the date of approval of the Company's annual report 2014) are set out below:

- Mr. SHEK Lai Him, Abraham has retired from the Independent Police Complaints Council as a vice chairman since 1 January 2015.

- Mr. HUANG Hongyan was appointed as an independent non-executive director of C&S Paper Co., Ltd., a company listed in Shenzhen Stock Exchange on 7 January 2015.
- Ms. HUANG Xiao has ceased to be a bidding assessment expert of Stated-owned Assets Supervision and Administration Commission, the People's Government of Guangdong Province since 6 February 2015.

## DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the remuneration of the Directors and senior management, together with those of the five highest paid individuals of the Group for the year ended 31 December 2014 are set out in note 30 to the consolidated financial statements of the Group.

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under paragraph headed "Continuing Connected Transactions", no contracts of significance in relation to the Company's business to which the Company, any of its subsidiaries, its fellow subsidiaries or its holding companies was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## DIRECTORS' AND THEIR ASSOCIATES' INTERESTS IN COMPETING BUSINESS

Ms. YANG Huiyan, Mr. YANG Erzhu, Mr. SU Rubo and Mr. OU Xueming (all being Directors) respectively owned 52%, 12%, 12% and 12% interest in each of Qingyuan CG and Qingyuan Country Cultural Development Co., Ltd.. Qingyuan CG is the developer of the Qingyuan Holiday Islands project situated in Qingyuan which offers various types of products including villas, townhouses and low-rise apartments, while Qingyuan Country Cultural Development Co., Ltd. operates the Qingyuan Cultural Park located in Shijiao Town, Qingcheng District in Qingyuan. Save as disclosed above, as at 31 December 2014, none of the Directors and their associates (as defined in the Listing Rules) are considered to be interested in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

## CONTINUING CONNECTED TRANSACTIONS

The following continuing connected transactions were recorded during the year and up to the date of this annual report:

### (a) Continuing Connected Transactions

During the year ended 31 December 2014, the Company has entered into certain transaction which constituted continuing connected transactions (as defined in the Listing Rules) of the Company. Subject to disclosure requirements in the annual report under rule 14A.49 of the Listing Rules, details of these transactions are set out below:

## 1. Design Services Agreement

Pursuant to the Design Services Agreements entered into between Shunde Country Garden and Elite Architectural, Elite Architectural agreed to provide property design, interior design services and survey work to the Group on term no less favourable than those offered by independent third parties to the Group for comparable services for three years commencing on 1 January 2014 and subject to the annual caps of not exceeding RMB1,500 million, RMB1,800 million and RMB2,000 million for each of the years 2014, 2015 and 2016 respectively. During the year, the total amount of design services charged by Elite Architectural amounted to RMB1,126.8 million.

Elite Architectural is owned as to 52% by Ms. YANG Huiyan, as to 12% by Mr. YANG Erzhu, as to 12% by Mr. SU Rubo and as to 12% by Mr. OU Xueming. Elite Architectural is an associate of a connected person of the Company as Ms. YANG Huiyan is a Director and a substantial Shareholder and such transactions constituted continuing connected transactions of the Company.

## 2. Construction Services Agreement (1)

Pursuant to the 2013 Construction Services Agreement entered into between Giant Leap and Qingyuan CG, Giant Leap agreed to provide construction services to Qingyuan CG on terms no less favourable than those offered by independent third parties to Qingyuan CG for comparable services. The terms of 2013 Construction Services Agreement shall be two years commencing on 1 January 2013 and subject to the annual caps of not exceeding RMB260 million for each of the years 2013 and 2014 respectively. During the year, the value of construction services provided by Giant Leap amounted to RMB209.9 million.

2013 Construction Services Agreement was expired on 31 December 2014. On 16 December 2014, Giant Leap and Qingyuan CG entered into 2015 Construction Services Agreement, pursuant to which, Giant Leap agreed to provide construction services to Qingyuan CG on terms no less favourable than those offered by independent third parties to Qingyuan CG for comparable services for a term of two years commencing on 1 January 2015 and subject to the annual caps of not exceeding RMB200 million for each of the years 2015 and 2016 respectively.

Qingyuan CG is owned as to 52% by Ms. YANG Huiyan, as to 12% by Mr. YANG Erzhu, as to 12% by Mr. SU Rubo and as to 12% by Mr. OU Xueming. Qingyuan CG is an associate of a connected person of the Company as Ms. YANG Huiyan is a Director and a substantial Shareholder and such transactions constituted continuing connected transactions of the Company.

### 3. Construction Services Agreement (2)

Pursuant to the WF Construction Services Agreement entered into between Shunde Country Garden and Wanfang Construction, Wanfang Construction agreed to provide construction services including the affixing of stones on external walls, garden construction and interior construction to the Group at the price no less favourable than those offered by Wanfang Construction to independent third parties. The terms of WF Construction Services Agreement shall be two years commencing on 1 January 2013 and subject to the annual caps of not exceeding RMB650 million and RMB950 million for the years 2013 and 2014 respectively. During the year, the total amount of supply of construction services charged by Wanfang Construction amounted to RMB241.6 million.

Wanfang Construction was originally a non-wholly owned subsidiary of Qingyuan CG. As Qingyuan CG was an associate of a connected person of the Company, such transactions constituted continuing connected transactions of the Company. On 24 October 2014, Qingyuan CG transferred its entire equity interest in Wanfang Construction to independent third parties. Since then, Wanfang Construction is no longer an associate of a connected person of the Company.

### 4. Stone Supply Agreement

Pursuant to the Stone Supply Agreement entered into between Shunde Country Garden and Wanfang Stone, Wanfang Stone agreed to supply stones including but not limited to marble and granite to the Group at the price no less favourable than those offered by Wanfang Stone to independent third parties. The terms of the Stone Supply Agreement shall be two years commencing on 1 January 2013 and subject to annual caps of not exceeding RMB348.8 million and RMB396 million for the years 2013 and 2014 respectively. During the year, the amount of supply of stones charged by purchased by Wanfang Stone amounted to RMB159.2 million.

Wanfang Stone was originally a non-wholly owned subsidiary of Qingyuan CG. As Qingyuan CG was an associate of a connected person of the Company, such transactions constituted continuing connected transactions of the Company. On 24 October 2014, Qingyuan CG transferred its entire equity interest in Wanfang Stone to independent third parties. Since then, Wanfang Stone is no longer an associate of a connected person of the Company.

The above continuing connected transactions are all subject to full reporting and announcement requirements but exempt from the independent Shareholders' approval under the Listing Rules.

## (b) Annual Review of Continuing Connected Transactions

Pursuant to rule 14A.55 of the Listing Rules, all independent non-executive Directors have reviewed the continuing connected transactions and confirmed that the continuing connected transactions have been entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or, if there were not sufficient comparable transactions to judge whether they were on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

For the purpose of rule 14A.56 of the Listing Rules, PricewaterhouseCoopers, the auditor of the Company, has provided a letter to the Board, confirmed that nothing has come to their attention that causes them to believe that the continuing connected transactions:

- (i) have not been approved by the Board;
- (ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group;
- (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and
- (iv) have exceeded the cap.

## (c) Others

The continuing connected transactions disclosed above also constitute related party transaction under the Hong Kong Financial Reporting Standards. A summary of significant related party transactions made during the year was disclosed in note 39 to the financial statements.

Certain items under note 39(b) therein also constitute connected/continuing connected transactions as defined in Chapter 14A of the Listing Rules.

The Board confirms that the Company has complied with the disclosure requirements as required by the Listing Rules in relation to the aforementioned connected/continuing connected transactions.

## SHARE OPTIONS

On 20 March 2007, the Share Option Scheme was adopted and approved by the then Shareholders. A summary of the principal terms of the Share Option Scheme is set out as follow:

### (i) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to provide incentives to the participants.

### (ii) Eligible Participants

The participants of the Share Option Scheme are employees including the executive directors and non-executive directors of the Company and its subsidiaries.

### (iii) Grant of Options

The Board shall be entitled at any time, within 10 years after the date of adoption of the Share Option Scheme to make an offer of the grant to any participant.

### (iv) Payment on Acceptance of Option Offer

HKD1.00 is payable by the participant to the Company on acceptance of the option offer as consideration for the grant.

## **(v) Subscription Price of Shares**

The subscription price of option to subscribe for Shares granted pursuant to the Share Option Scheme shall be the highest of:

- the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date on which an offer is made to a participant, which must be a business day;
- the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which an offer is made; and
- the nominal value of the Shares.

## **(vi) Maximum Number of Shares Available for Subscription**

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme must not in aggregate exceed 10% of the issued share capital of the Company at the date of approval of the Share Option Scheme. The 10% limit may be refreshed with the approval by ordinary resolution of the Shareholders. The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme must not exceed 30% of the issued share capital of the Company from time to time. As at the date of this annual report, a total of 1,636,000,000 Shares (including options to subscribe for 9,141,015 Shares that have been granted but not yet lapsed or exercised)(representing 8.04% of the issued share capital of the Company at the date of this annual report) are available for issue under the Share Option Scheme.

## **(vii) Maximum Entitlement of Shares of each Participant**

The total number of Shares issued and to be issued upon exercise of all options granted under the Share Option Scheme to each participant (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of Shares in issue. Shares issued and to be issued upon exercise of all options granted under the Share Option Scheme (including options exercised, cancelled and outstanding) to a participant who is a substantial Shareholder or an independent non-executive Director in any 12 months period, (1) representing in aggregate more than 0.1% of the total number of Shares in issue; and (2) having an aggregate value, based on the closing price of the Shares at the date of each grant in excess of HKD5 million, the proposed grant of option must be approved by the Shareholders by poll in general meeting.

## **(viii) Time of Exercise of Option**

The exercise period of any option granted under the Share Option Scheme shall not be longer than 10 years from the date of grant of the relevant option. The Board has the authority to determine the minimum period for which an option must be held before it can be exercised.

During the year, details of movements in the share options under the Share Option Scheme are as follows:

Options to subscribe for shares of the Company										
Category and name of grantees	Outstanding at 1.1.2014	Granted during the year	Exercised during the year	Adjusted during the year <sup>1</sup>	Lapsed/	Outstanding at 31.12.2014	Exercise price at 1.1.2014	Exercise price at 31.12.2014	Date of grant	Exercisable period
					Cancelled during the year					
<b>Directors</b>										
Mr. LAI Ming, Joseph	1,000,000	–	–	14,786	–	1,014,786	HKD3.7	HKD3.646	30.11.2012	30.11.2012-29.11.2022
Mr. SHEK Lai Him, Abraham	1,000,000	–	–	14,786	–	1,014,786	HKD3.7	HKD3.646	30.11.2012	30.11.2012-29.11.2022
Mr. TONG Wui Tung, Ronald	1,000,000	–	–	14,786	–	1,014,786	HKD3.7	HKD3.646	30.11.2012	30.11.2012-29.11.2022
Mr. YANG Zhicheng	1,493,845	–	–	22,088	–	1,515,933	HKD4.844	HKD4.773	13.12.2013	13.12.2018-12.12.2023
Mr. OU Xueming	954,039	–	–	14,107	–	968,146	HKD4.844	HKD4.773	13.12.2013	13.12.2018-12.12.2023
Sub-total	5,447,884	–	–	80,553	–	5,528,437	–	–	–	–
<b>Employees of the Group</b>										
Sub-total	3,725,573	–	–	55,086	(168,081) <sup>2</sup>	3,612,578	HKD4.844	HKD4.773	13.12.2013	13.12.2018-12.12.2023
Sub-total	3,725,573	–	–	55,086	(168,081) <sup>2</sup>	3,612,578	–	–	–	–
<b>Total</b>	<b>9,173,457</b>	<b>–</b>	<b>–</b>	<b>135,639</b>	<b>(168,081)<sup>2</sup></b>	<b>9,141,015</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

Notes:

- Pursuant to the terms of the Share Option Scheme, the exercise price and the number of new Shares to be allotted and issued upon full exercise if the subscription rights attaching to the outstanding share options were adjusted to reflect the Rights Issue which came into effect on 14 October 2014.
- 168,081 share options was lapsed due to one of the employees of the Group, being a grantee passed away during the year.

rules were approved by the Board officially. The purpose of the Employee Incentive Scheme is to provide the participants with an opportunity to hold a personal stake in the Company so as to motivate such participants and to enhance performance and efficiency. During the year, the Company had not purchased any Shares from the market, and had not acquired any Shares by way of scrip dividend nor rights issue. As of 31 December 2014, the cumulative total number of the Shares acquired under the Employee Incentive Scheme were 107,771,551 Shares.

## EMPLOYEE INCENTIVE SCHEME

The trust deed in respect of the Employee Incentive Scheme for the benefit of the senior management and employees of the Group which excludes any connected persons of the Company, together with the scheme

The Board will continue monitoring the Employee Incentive Scheme for the benefit of the senior management and employees of the Group and if it shall consider appropriate and/or desirable, modify or replace the Employee Incentive Scheme with and/or adopt other incentive scheme.



## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

The Directors who held office at 31 December 2014 had the following interests and short positions in the Shares, underlying Shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

### (a) Long positions in the Shares, Underlying Shares and Debentures of the Company

Name of Director	Capacity	Number of ordinary Shares held	Number of underlying Shares held	Total	Percentage to the issued share capital as at 31.12.2014	Amount of debentures held
Mr. YEUNG Kwok Keung	Interest of controlled corporation	70,464,000 <sup>1</sup>	—	70,464,000	0.35%	USD11,000,000 <sup>2</sup>
Ms. YANG Huiyan	Interest of controlled corporation	12,106,808,942 <sup>3</sup>	—	12,106,808,942	59.48%	—
Mr. MO Bin	Beneficiary of a trust	3,200,000	—	3,200,000	0.01%	—
Mr. ZHU Rongbin	Beneficial owner	2,206,042	—	2,206,042	0.01%	—
Mr. WU Jianbin	Beneficial owner	3,200,849	—	3,200,849	0.01%	—
Mr. YANG Erzhu	Interest of controlled corporation	1,019,733,743 <sup>4</sup>	—	1,019,733,743	5.01%	—
Mr. SU Rubo	Interest of controlled corporation	749,437,312 <sup>5</sup>	—	749,437,312	3.68%	—
Mr. OU Xueming	Interest of controlled corporation	772,144,068 <sup>6</sup>	—	—	—	—
	Beneficial owner	—	968,146 <sup>7</sup>	773,112,214	3.79%	—
Mr. YANG Zhicheng	Beneficial owner	—	1,515,933 <sup>7</sup>	1,515,933	0.01%	—
Mr. XIE Shutai	Interest of spouse	901,266 <sup>8</sup>	—	901,266	0.01%	—
Mr. SONG Jun <sup>9</sup>	Beneficial owner	—	—	—	—	—
Mr. LIANG Guokun	Interest of spouse	1,674,936 <sup>10</sup>	—	1,674,936	0.01%	—
Mr. SU Baiyuan	Beneficial owner	436,096	—	—	—	—
	Interest of spouse	419,643 <sup>11</sup>	—	855,739	0.01%	—
Mr. LAI Ming, Joseph	Beneficial owner	—	1,014,786 <sup>7</sup>	1,014,786	0.01%	—
Mr. SHEK Lai Him, Abraham	Beneficial owner	—	1,014,786 <sup>7</sup>	1,014,786	0.01%	—
Mr. TONG Wui Tung, Ronald	Beneficial owner	—	1,014,786 <sup>7</sup>	1,014,786	0.01%	—

Notes:

1. These Shares represent Shares held by Kenpac Investments Limited and Jolly Faith Group Limited in which Mr. YEUNG Kwok Keung beneficially owns 90% and 50% of the issued share capital respectively.
2. These debentures represent the USD900 million 11.125% senior notes due 2018 held by Joy House Enterprises Limited and Kenpac Investments Limited in which Mr. YEUNG Kwok Keung beneficially owns 99% and 90% of the issued share capital respectively.
3. These Shares and/or underlying Shares represent Shares and/or underlying Shares held by Concrete Win Limited, Golden Value Investments Limited, Jolly Faith Group Limited and Genesis Capital Global Limited in which Ms. YANG Huiyan beneficially owns 100%, 100%, 50% and 100% of the issued share capital respectively.
4. These Shares represent Shares held by Automic Group Limited in which Mr. YANG Erzhu beneficially owns the entire issued share capital.
5. These Shares represent Shares held by Easy Hope Holdings Limited in which Mr. SU Rubo beneficially owns the entire issued share capital.
6. These Shares represent Shares held by Highlander Group Limited in which Mr. OU Xueming beneficially owns the entire issued share capital.
7. The relevant interests are unlisted physically settled options granted pursuant to the Share Options Scheme. Upon exercise of the share options in accordance with the Share Options Scheme, ordinary Shares of HKD0.10 each in the share capital of the Company are issuable. The share options are personal to the respective Directors. Further details of the share options are set out in the "Report of Directors – Share Options" of this report.
8. These Shares represent Shares held by Ms. YANG Congrong being the spouse of Mr. XIE Shutai.
9. According to the Sharing Incentive Scheme, on 11 February 2015, the Board approved that 852,049 conditional Shares were conditionally granted to Mr. SONG Jun with effect from completion of execution of relevant documents. These Shares shall be held in trust by a wholly owned subsidiary of the Company on behalf of Mr. SONG Jun during the period of five years commencing from the effective date of the conditional grant of Shares, in which the release of the physical share certificates shall be arranged once confirmed Mr. SONG Jun has fulfilled all conditions of the Sharing Incentive Scheme during the period of five years commencing from the effective date of the conditional grant of Shares.
10. These Shares represent Shares held by Ms. MA Minhua being the spouse of Mr. LIANG Guokun.
11. These Shares represent Shares held by Ms. LIU Qing being the spouse of Mr. SU Baiyuan.

## (b) Short Positions in the Shares, Underlying Shares and Debentures of the Company

Name of Director	Capacity	Number of ordinary Shares held	Number of underlying Shares held	Total	Percentage to the issued share capital as at 31.12.2014	Amount of debentures held
Ms. YANG Huiyan	Trustee (other than a bare trustee)	3,200,000 <sup>1</sup>	—	3,200,000	0.01%	—

- These Shares and/or underlying Shares represent Shares and/or underlying Shares held by Golden Value Investments Limited in which Ms. YANG Huiyan beneficially owns 100% of the issue share capital.

## INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

At 31 December 2014, according to the register kept by the Company under Section 336 of the SFO, the following companies and persons, other than the Directors or chief executive of the Company, had long positions of 5% or more in the Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

### Long Positions in the Shares

Name of Shareholders	Capacity	Number of ordinary Shares held	Percentage to the issued share capital as at 31.12.2014
Concrete Win Limited	Beneficial owner	9,178,650,009 <sup>1</sup>	45.09%
Genesis Capital Global Limited	Beneficial owner	2,840,000,000 <sup>2</sup>	13.95%
Automic Group Limited	Beneficial owner	1,019,733,743 <sup>3</sup>	5.01%

Notes:

- These Shares are held by Concrete Win Limited, the entire issued share capital of which is beneficially owned by Ms. YANG Huiyan.
- These Shares are held by Genesis Capital Global Limited, the entire issued share capital of which is beneficially owned by Ms. YANG Huiyan.
- These Shares are held by Automic Group Limited, the entire issued share capital of which is beneficially owned by Mr. YANG Erzhu.

Save as disclosed above, the Company has not been notified by any other person (other than the Directors and chief executives of the Company) who had an interest or short position of 5% or more in the Shares and underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

### **PURCHASE, SALE OR REDEMPTION OF SHARES**

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Articles of Association, or the laws of Cayman Islands, being the jurisdiction in which the Company was incorporated under which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

### **CORPORATE GOVERNANCE**

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report contained in this annual report.

### **SUFFICIENCY OF PUBLIC FLOAT**

Rules 8.08(1)(a) and (b) of the Listing Rules require there to be an open market in the securities for which listing is sought and for a sufficient public float of an issuer's listed securities to be maintained. This normally means that (i) at least 25% of the issuer's total issued share capital must at all times be held by the public; and (ii) where an issuer has more than one class of securities apart from the class of securities for which listing is sought, the total securities of the issuer held by the public (on all regulated market(s) including the Stock Exchange) at the time of listing must be at least 25% of the issuer's total issued share capital.

However, the class of securities for which listing is sought must not be less than 15% of the issuer's total issued share capital, and must have an expected market capitalization at the time of listing of not less than HKD10,000 million.

The Group has applied to the Stock Exchange to request the Stock Exchange to exercise, and the Stock Exchange exercised its discretion under rule 8.08(1)(d) of the Listing Rules to accept a lower public float percentage of the Company of 15% (assuming the Overallotment Option is not exercised) or such higher percentage of the issued share capital as will be held by the public in the event that the whole or a part of the Overallotment Option is exercised (which discretion may be exercised in respect of issuers with an expected market capitalization at the time of listing of over HKD10,000 million) on the basis that the Stock Exchange is satisfied that the number of the Shares concerned and the extent of their distribution will enable the market to operate properly with the lower percentage, and on the condition that we will make appropriate disclosure of the lower prescribed percentage of public float in the prospectus of the Company issued on 3 April 2007 and confirm sufficiency of public float in the successive annual reports after listing. At the time of the listing of the Company on 20 April 2007, the market capitalization exceeded HKD10,000 million.

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Directors confirm that the Company has maintained the amount of public float as required under the Listing Rules.

## AUDITOR

The consolidated financial statements for the year have been audited by PricewaterhouseCoopers. A resolution for the re-appointment of PricewaterhouseCoopers as the Company's auditor for the ensuing year is to be proposed at 2015 AGM.

## PROFESSIONAL TAX ADVICE RECOMMENDED

If the Shareholders are unsure about the taxation implications of purchasing, holdings, disposing of, dealing in, or the exercise of any rights in relation to, the Shares, they are advised to consult an expert.

## CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Friday, 15 May 2015 to Wednesday, 20 May 2015, both days inclusive, during which period no transfer of Shares will be registered in order to determine the identity of the Shareholders who are entitled to attend and vote at 2015 AGM. All duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 14 May 2015.

Subject to approval of Shareholders in 2015 AGM, the proposed final dividend will be payable to Eligible Shareholders whose names appears on the register of members of the Company on Thursday, 28 May 2015. The register of members will be closed at Wednesday, 27 May 2015 to Thursday, 28 May 2015, both days inclusive, during which period no transfer of Shares will be registered in order to determine the identity of the shareholders who are qualified for the proposal final dividend. All duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 26 May 2015.

For and on behalf of the Board

**YEUNG Kwok Keung**

*Chairman*

Hong Kong, 11 March 2015



# FINANCIAL STATEMENTS







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## TO THE SHAREHOLDERS OF COUNTRY GARDEN HOLDINGS COMPANY LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

We have audited the consolidated financial statements of Country Garden Holdings Company Limited (the “Company”) and its subsidiaries (together, the “Group”) set out on pages 120 to 225, which comprise the consolidated and company statements of financial position as at 31 December 2014, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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*PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong*  
T: +852 2289 8888, F: +852 2810 9888, [www.pwchk.com](http://www.pwchk.com)





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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**PricewaterhouseCoopers**

Certified Public Accountants

Hong Kong, 11 March 2015

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2014	2013
		RMB'000	RMB'000
	Note		
<b>Non-current assets</b>			
Property, plant and equipment	6	18,642,518	15,828,290
Investment properties	7	7,035,579	112,340
Intangible assets	8	29,247	43,477
Land use rights	9	2,034,522	1,865,068
Properties under development	10	44,638,652	40,080,095
Investments in associates	11	34,492	56,791
Investment in a joint venture	12	21,374	33,333
Available-for-sale financial assets	13	208,667	206,329
Deferred income tax assets	27	2,770,111	1,800,022
		<b>75,415,162</b>	<b>60,025,745</b>
<b>Current assets</b>			
Properties under development	10	105,993,980	67,473,799
Completed properties held for sale	15	23,203,236	18,919,822
Inventories	16	2,095,143	572,863
Trade and other receivables	17	25,370,902	26,378,400
Prepaid taxes		8,739,706	6,189,210
Restricted cash	18	8,453,490	7,769,870
Cash and cash equivalents	19	18,760,590	18,909,719
		<b>192,617,047</b>	<b>146,213,683</b>
<b>Current liabilities</b>			
Advanced proceeds received from customers		91,792,491	63,417,952
Trade and other payables	20	40,924,965	30,914,620
Income taxes payable		8,976,132	8,137,481
Senior notes	21	2,538,757	2,348,003
Bank and other borrowings	22	12,390,679	10,086,227
		<b>156,623,024</b>	<b>114,904,283</b>
<b>Net current assets</b>		<b>35,994,023</b>	<b>31,309,400</b>
<b>Total assets less current liabilities</b>		<b>111,409,185</b>	<b>91,335,145</b>

		<b>As at 31 December</b>	
		<b>2014</b>	2013
		<b>RMB'000</b>	RMB'000
	Note		
<b>Non-current liabilities</b>			
Senior notes	21	<b>19,735,005</b>	20,711,542
Bank and other borrowings	22	<b>26,404,258</b>	23,103,006
Deferred government grants		<b>239,520</b>	239,520
Deferred income tax liabilities	27	<b>2,587,976</b>	1,269,910
		<b>48,966,759</b>	45,323,978
<b>Equity attributable to owners of the Company</b>			
Share capital and premium	23	<b>24,262,047</b>	20,169,019
Other reserves	25	<b>4,243,448</b>	2,194,083
Retained earnings			
– Proposed final dividend	33	<b>3,001,893</b>	3,105,759
– Others	25	<b>25,178,817</b>	18,484,759
		<b>56,686,205</b>	43,953,620
<b>Non-controlling interests</b>		<b>5,756,221</b>	2,057,547
<b>Total equity</b>		<b>62,442,426</b>	46,011,167
<b>Total equity and non-current liabilities</b>		<b>111,409,185</b>	91,335,145

The notes on pages 129 to 225 are an integral part of these consolidated financial statements.

The financial statements on pages 120 to 225 were approved by the Board of Directors on 11 March 2015 and were signed on its behalf.

**MO Bin**  
*Director*

**WU Jianbin**  
*Director*

# COMPANY STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2014	2013
		RMB'000	RMB'000
	Note		
<b>Non-current assets</b>			
Investments in subsidiaries	14	29,309,298	27,772,865
<b>Current assets</b>			
Amounts due from subsidiaries		25,705,230	21,884,166
Other receivables		2,781	—
Cash and cash equivalents	19	1,319,441	762,588
		<b>27,027,452</b>	22,646,754
<b>Current liabilities</b>			
Amounts due to subsidiaries		—	788,239
Other payables		1,171	792
Senior notes	21	2,538,757	2,348,003
Bank and other borrowings	22	1,439,277	1,146,157
		<b>3,979,205</b>	4,283,191
<b>Net current assets</b>		<b>23,048,247</b>	18,363,563
<b>Total assets less current liabilities</b>		<b>52,357,545</b>	46,136,428

		<b>As at 31 December</b>	
		<b>2014</b>	2013
		<b>RMB'000</b>	RMB'000
	Note		
<b>Non-current liabilities</b>			
Senior notes	21	<b>19,735,005</b>	20,711,542
Bank and other borrowings	22	<b>4,477,510</b>	1,651,523
		<b>24,212,515</b>	22,363,065
<b>Equity</b>			
Share capital and premium	23	<b>24,642,283</b>	20,549,255
Other reserves	25	<b>56,335</b>	18,167
Retained earnings			
— Proposed final dividend	33	<b>3,001,893</b>	3,105,759
— Others	25	<b>444,519</b>	100,182
<b>Total equity</b>		<b>28,145,030</b>	23,773,363
<b>Total equity and non-current liabilities</b>		<b>52,357,545</b>	46,136,428

The notes on pages 129 to 225 are an integral part of these consolidated financial statements.

The financial statements on pages 120 to 225 were approved by the Board of Directors on 11 March 2015 and were signed on its behalf.

**MO Bin**  
*Director*

**WU Jianbin**  
*Director*

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December	
		2014 RMB'000	2013 RMB'000
<b>Revenue</b>	5	<b>84,548,803</b>	62,724,729
Cost of sales	29	<b>(62,493,670)</b>	(43,713,256)
<b>Gross profit</b>		<b>22,055,133</b>	19,011,473
Other income and gains — net	28	<b>185,996</b>	21,480
Gains arising from changes in fair value of and transfer to investment properties	7	<b>1,880,036</b>	—
Selling and marketing costs	29	<b>(4,356,272)</b>	(4,303,823)
Administrative expenses	29	<b>(3,159,928)</b>	(2,033,277)
<b>Operating profit</b>		<b>16,604,965</b>	12,695,853
Finance income	31	<b>254,747</b>	803,249
Finance costs	31	<b>(450,329)</b>	—
Finance (costs)/income — net	31	<b>(195,582)</b>	803,249
Share of results of associates and a joint venture	11,12	<b>(40,258)</b>	(25,949)
<b>Profit before income tax</b>		<b>16,369,125</b>	13,473,153
Income tax expenses	32	<b>(5,757,225)</b>	(4,625,173)
<b>Profit for the year</b>		<b>10,611,900</b>	8,847,980
<b>Profit attributable to:</b>			
— Owners of the Company		<b>10,229,159</b>	8,514,104
— Non-controlling interests		<b>382,741</b>	333,876
		<b>10,611,900</b>	8,847,980
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss:			
— Revaluation gains on properties upon transfer from property, plant and equipment and land use rights to investment properties, net of tax	25	<b>1,464,237</b>	—
Items that may be reclassified to profit or loss:			
— Change in fair value of available-for-sale financial assets, net of tax		<b>2,338</b>	6,329
— Currency translation differences		<b>6,452</b>	(78,927)
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>1,473,027</b>	(72,598)
<b>Total comprehensive income for the year</b>		<b>12,084,927</b>	8,775,382

		<b>Year ended 31 December</b>	
		<b>2014</b>	2013
		<b>RMB'000</b>	RMB'000
	Note		
<b>Total comprehensive income attributable to:</b>			
— Owners of the Company		<b>11,700,200</b>	8,476,627
— Non-controlling interests		<b>384,727</b>	298,755
		<b>12,084,927</b>	8,775,382
<b>Earnings per share attributable to owners of the Company (expressed in RMB cents per share)</b>			
Basic	36	<b>53.45</b>	45.97
Diluted	36	<b>53.45</b>	45.93

The notes on pages 129 to 225 are an integral part of these consolidated financial statements.

		<b>2014</b>	2013
		<b>RMB'000</b>	RMB'000
	Note		
Dividends	33	<b>3,001,893</b>	3,105,759

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company				Non-controlling interests			Total Equity RMB'000
	Share capital and premium RMB'000 (note 23)	Other reserves RMB'000 (note 25)	Retained earnings RMB'000 (note 25)	Total RMB'000	Perpetual capital securities RMB'000 (note 26)	Others RMB'000	Total RMB'000	
<b>Balance at 1 January 2014</b>	20,169,019	2,194,083	21,590,518	43,953,620	–	2,057,547	2,057,547	46,011,167
<b>Comprehensive income</b>								
Profit for the year	–	–	10,229,159	10,229,159	207,169	175,572	382,741	10,611,900
Other comprehensive income								
– Revaluation gains on properties upon transfer from property, plant and equipment and land use rights to investment properties, net of tax	–	1,464,237	–	1,464,237	–	–	–	1,464,237
– Change in fair value of available-for-sale financial assets, net of tax	–	2,338	–	2,338	–	–	–	2,338
– Currency translation differences	–	4,466	–	4,466	–	1,986	1,986	6,452
<b>Total comprehensive income for the year</b>	–	1,471,041	10,229,159	11,700,200	207,169	177,558	384,727	12,084,927
<b>Transactions with owners in their capacity as owners:</b>								
Capital injections	–	–	–	–	3,090,000	431,116	3,521,116	3,521,116
Transfer to statutory reserves	–	540,156	(540,156)	–	–	–	–	–
2013 final dividends (note 33)	–	–	(3,098,811)	(3,098,811)	–	–	–	(3,098,811)
Dividends paid to non-controlling interests	–	–	–	–	(207,169)	–	(207,169)	(207,169)
Issue of shares as a result of scrip dividend scheme (note 23(a))	1,591,601	–	–	1,591,601	–	–	–	1,591,601
Issue of shares as a result of Rights Issue (note 23(b))	2,501,427	–	–	2,501,427	–	–	–	2,501,427
Employee share option scheme:								
– Value of employee services (note 30)	–	38,168	–	38,168	–	–	–	38,168
<b>Total transactions with owners</b>	4,093,028	578,324	(3,638,967)	1,032,385	2,882,831	431,116	3,313,947	4,346,332
<b>Balance at 31 December 2014</b>	24,262,047	4,243,448	28,180,710	56,686,205	3,090,000	2,666,221	5,756,221	62,442,426

The notes on pages 129 to 225 are an integral part of these consolidated financial statements.



	Attributable to owners of the Company				Non-controlling interests	Total equity
	Share capital and premium	Other reserves	Retained earnings	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(note 23)	(note 25)	(note 25)			
<b>Balance at 1 January 2013</b>	19,368,755	1,901,964	16,306,430	37,577,149	1,307,259	38,884,408
<b>Comprehensive income</b>						
Profit for the year	—	—	8,514,104	8,514,104	333,876	8,847,980
Other comprehensive income						
— Change in fair value of available-for-sale financial assets, net of tax	—	6,329	—	6,329	—	6,329
— Currency translation differences	—	(43,806)	—	(43,806)	(35,121)	(78,927)
<b>Total comprehensive income for the year</b>	—	(37,477)	8,514,104	8,476,627	298,755	8,775,382
<b>Transactions with owners in their capacity as owners:</b>						
Capital injections	—	—	—	—	562,009	562,009
Transfer to statutory reserves	—	749,706	(749,706)	—	—	—
Effect of redemption of convertible bond upon maturity	—	(29,801)	29,801	—	—	—
2012 final dividends	—	—	(2,510,111)	(2,510,111)	—	(2,510,111)
Dividends paid to non-controlling interests	—	—	—	—	(83,400)	(83,400)
Issue of shares as a result of scrip dividend scheme	800,264	—	—	800,264	—	800,264
Employee share option scheme:						
— Value of employee services (note 30)	—	15,167	—	15,167	—	15,167
Non-controlling interests arising from business combination	—	—	—	—	166,009	166,009
Changes in ownership interests in subsidiaries without change of control	—	(405,476)	—	(405,476)	(193,085)	(598,561)
<b>Total transactions with owners</b>	800,264	329,596	(3,230,016)	(2,100,156)	451,533	(1,648,623)
<b>Balance at 31 December 2013</b>	20,169,019	2,194,083	21,590,518	43,953,620	2,057,547	46,011,167

The notes on pages 129 to 225 are an integral part of these consolidated financial statements.

# CONSOLIDATED CASH FLOW STATEMENT

	Note	Year ended 31 December	
		2014 RMB'000	2013 RMB'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	34	6,543,405	2,822,408
Income tax paid		(5,997,773)	(4,817,435)
Interest paid		(4,877,497)	(3,814,356)
<b>Net cash used in operating activities</b>		<b>(4,331,865)</b>	<b>(5,809,383)</b>
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries, net of cash acquired		—	(13,163)
Purchases of property, plant and equipment		(4,768,710)	(4,777,165)
Purchases of intangible assets		(10,875)	(37,776)
Purchases of land use rights		(337,450)	(531,768)
Payments for investment properties		—	(1,645)
Investment in an associate	11	(6,000)	—
Dividend income from available-for-sale financial assets	28	6,100	—
Proceeds from disposal of property, plant and equipment	34	174,911	27,647
Government grants received		—	50,000
Interest received	31	254,747	290,708
<b>Net cash used in investing activities</b>		<b>(4,687,277)</b>	<b>(4,993,162)</b>
<b>Cash flows from financing activities</b>			
Capital injections from non-controlling interests		3,521,116	562,009
Acquisition of non-controlling interests in a subsidiary		—	(247,000)
Net proceeds from the issuance of shares as a result of the Rights Issue	23	2,501,427	—
Redemption of convertible bond		—	(957,163)
Redemption and repayment of senior notes	21	(5,875,596)	—
Net proceeds from the issuance of senior notes	21	4,849,502	9,136,339
Proceeds from bank and other borrowings		17,974,590	24,552,236
Repayments of bank and other borrowings		(12,368,886)	(13,268,573)
Dividends paid to owners of the Company		(1,507,210)	(1,709,847)
Dividends paid to non-controlling interests		(182,296)	(83,400)
<b>Net cash generated from financing activities</b>		<b>8,912,647</b>	<b>17,984,601</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(106,495)</b>	<b>7,182,056</b>
Cash and cash equivalents at the beginning of the year		18,909,719	11,809,031
Exchange losses on cash and cash equivalents		(42,634)	(81,368)
<b>Cash and cash equivalents at the end of the year</b>	19	<b>18,760,590</b>	<b>18,909,719</b>

The notes on pages 129 to 225 are an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

Country Garden Holdings Company Limited (the “Company”) was incorporated in the Cayman Islands on 10 November 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands. The Company is engaged in investment holding and its subsidiaries (collectively the “Group”) are principally engaged in the property development, construction, fitting and decoration, property investment, property management and hotel operation.

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

These financial statements are presented in Renminbi (“RMB”), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 11 March 2015.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and investment properties, which are carried at fair value.

The consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

The preparation of financial statements in conformity with the HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of Preparation (Continued)

#### 2.1.1 Changes in accounting policy and disclosures

- (i) **The new or revised standards, amendments and interpretations to existing standards, which are mandatory for the financial year beginning on 1 January 2014, are either currently not relevant to the Group or had no material impact on the Group's consolidated financial statements.**
- (ii) **New and revised standards and amendments to existing standards that have been issued and are relevant to the Group, but are not effective for the financial year beginning on 1 January 2014 and have not been early adopted**
- Annual improvements 2012, which include changes from the 2010-2012 cycle of the annual improvements project, that affect the below standards: HKFRS8, 'Operating segments', Hong Kong Accounting Standards ("HKAS"), HKAS16, 'Property, plant and equipment' and HKAS38, 'Intangible assets' and HKAS 24, 'Related Party Disclosures'. The above amendments will be effective for annual periods beginning on or after 1 July 2014.
  - Annual improvements 2013, which include changes from the 2011-2013 cycle of the annual improvements project that affect the below standards: HKFRS3, 'Business combinations', HKFRS13, 'Fair value measurement', and HKAS40, 'Investment property'. The above amendments will be effective for annual periods beginning on or after 1 July 2014.
  - Annual improvements 2014, which include changes from the 2012-2014 cycle of the annual improvements project that affect 4 standards: HKFRS 5, 'Non-current assets held for sale and discontinued operations', HKFRS 7, 'Financial instruments: Disclosures', HKAS 19, 'Employee benefits' and HKAS 34, 'Interim financial reporting'. These amendments will be effective for annual periods beginning on or after 1 January 2016.
  - Amendment to HKFRS 11 on accounting for acquisitions of interests in joint operations. The amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business' (as defined in HKFRS 3, Business combinations). The amendment is applicable to both the acquisition of the initial interest and a further interest in a joint operation. The previously held interest is not remeasured when the acquisition of an additional interest in the same joint operation with joint control maintained. This amendment will be effective for annual periods beginning on or after 1 January 2016.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of Preparation (Continued)

#### 2.1.1 Changes in accounting policy and disclosures (Continued)

(ii) **New and revised standards and amendments to existing standards that have been issued and are relevant to the Group, but are not effective for the financial year beginning on 1 January 2014 and have not been early adopted (Continued)**

- Amendments to HKFRS 10 and HKAS 28 on the sale or contribution of assets between an investor and its associate or joint venture. The amendments address an inconsistency between HKFRS 10 and HKAS 28 in the sale and contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognized when a transaction involves a business. A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary. These amendments will be effective for annual periods beginning on or after 1 January 2016.
- Amendment to HKAS 27 on the equity method in separate financial statements. The amendment allows entities to use equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. This amendment will be effective for annual periods beginning on or after 1 January 2016.
- HKFRS 15 “Revenue from Contracts with Customers”. HKFRS 15 establishes a comprehensive framework for determining when to recognize revenue and how much revenue to recognize through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract (3) Determine the transaction price (4) Allocate transaction price to performance obligations and (5) recognize revenue when performance obligation is satisfied. The core principle is that a company should recognize revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an ‘earnings processes to an ‘asset-liability’ approach based on transfer of control. HKFRS 15 provides specific guidance on capitalization of contract cost and license arrangements. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers. HKFRS 15 replaces the previous revenue standards: HKAS 18 Revenue and HKAS 11 Construction Contracts, and the related Interpretations on revenue recognition: HKFRIC 13 Customer Loyalty Programmes, HKFRIC 15 Agreements for the Construction of Real Estate, HKFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue — Barter Transactions Involving Advertising Services. This amendment will be effective for annual periods beginning on or after 1 January 2017.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of Preparation (Continued)

#### 2.1.1 Changes in accounting policy and disclosures (Continued)

**(ii) New and revised standards and amendments to existing standards that have been issued and are relevant to the Group, but are not effective for the financial year beginning on 1 January 2014 and have not been early adopted (Continued)**

- HKFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of HKFRS 9 was issued in July 2014. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under HKAS 39. This new standard will be effective for annual periods beginning on or after 1 January 2018.

The Group is in the process of assessing the impact of the above new standards and amendments to existing standards on the Group's consolidated financial statements.

**(iii) New Hong Kong Companies Ordinance (Cap.622)**

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of Preparation (Continued)

#### 2.1.1 Changes in accounting policy and disclosures (Continued)

##### (iv) Change in accounting policy on investment properties

On 30 June 2014, the Group changed its accounting policy on investment properties. Prior to 30 June 2014, the Group's investment properties were stated at historical cost less accumulated depreciation and impairment loss. They were depreciated using the straight line method over estimated useful life of 20 years. Subsequent to the change in accounting policy, investment properties are carried at fair value.

Management believes that the new accounting policy for investment properties results in a more relevant presentation of the Group's financial position and also results in a presentation that is more consistent with the industry practices.

The above change in accounting policy should have been accounted for retrospectively in accordance with HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; however, as the impact to the Group was immaterial, no retrospective adjustments have been made. The cumulative impact was recorded as follows:

	<b>31 December 2014</b>
	<b>RMB'000</b>
Increase in investment properties	<b>94,477</b>
Increase in deferred income tax liabilities	<b>23,619</b>
Increase in retained earnings	<b>70,858</b>

	<b>Year ended</b>
	<b>31 December 2014</b>
	<b>RMB'000</b>
Fair value gains on investment properties	<b>94,477</b>
Increase in income tax expenses	<b>23,619</b>
Increase in profit attributable to owners of the Company	<b>70,858</b>

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Subsidiaries

#### 2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

#### (i) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.



## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **2.2 Subsidiaries (Continued)**

#### **2.2.1 Consolidation (Continued)**

##### **(i) Business combinations (Continued)**

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

##### **(ii) Changes in ownership interests in subsidiaries without change of control**

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

##### **(iii) Disposal of subsidiaries**

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

#### **2.2.2 Separate financial statements**

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of results of an associate' in profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in profit or loss.

### 2.4 Joint Arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **2.4 Joint Arrangements (Continued)**

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

### **2.5 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company (the "ED") that makes strategic decisions.

### **2.6 Foreign Currency Translation**

#### **(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB which is the Company's functional currency and the Group's presentation currency.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.6 Foreign Currency Translation (Continued)

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when defined in equity as qualifying cash flow hedges or qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'other income and gains — net'.

Translation differences on non-monetary financial assets and liabilities are recognised in profit or loss as part of the fair value gain or loss.

#### (iii) Group companies

The results and financial positions of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each consolidated statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20 – 40 years
Transportation equipment	5 – 10 years
Machinery	5 – 10 years
Furniture, fitting and equipment	5 – 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.10).

Construction in progress represents the direct costs of construction incurred of property, plant and equipment less any impairment losses. No provision for depreciation is made on construction in progress until such time the relevant assets are completed and put into use. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within 'other income and gains-net' in the consolidated statement of comprehensive income.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Investment Properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets. Changes in fair values are recorded in profit or loss as part of a valuation gain or *loss*.

If an item of property, plant and equipment or land use rights becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation gain or loss. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss to the extent the impairment provision previous made. For a transfer from completed properties held for sale or properties under development to investment properties that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognised in profit or loss.

### 2.9 Intangible Assets

Acquired computer software programmes are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful lives of 5 to 10 years on a straight-line basis.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

### 2.10 Impairment of Non-Financial Assets

Assets that have an indefinite useful life — for example, goodwill or intangible assets not ready to use — are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **2.11 Financial Assets**

#### **(i) Classification**

The Group classifies its financial assets as loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' (note 2.17), 'amounts due from subsidiaries' and cash and cash equivalents (note 2.18) in the statement of financial position.

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

#### **(ii) Recognition and measurement**

Regular way purchases and sales of financial assets are recognised on trade-date — the date on which the Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated statement of comprehensive income as 'gains and losses from investment securities'.

Dividends on available-for-sale equity instruments are recognised in the consolidated statement of comprehensive income as part of other income when the Group's right to receive payments is established.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Impairment of Financial Assets

#### (i) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

#### (ii) Assets classified as available for sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a Group of financial assets is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments are not reversed through profit or loss.



## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **2.13 Properties under Development**

Properties under development are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Development cost of property comprises cost of land use rights, construction costs, depreciation of machinery and equipment, borrowing costs capitalised for qualifying assets and professional fees incurred during the development period. On completion, the properties are transferred to completed properties held for sale.

Properties under development are classified as current assets when the construction of the relevant properties commences unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle.

### **2.14 Completed Properties Held for Sale**

Completed properties remaining unsold at year ended are stated at the lower of cost and net realisable value.

Cost comprises development costs attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

### **2.15 Inventories**

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.16 Construction Contracts

A construction contract is defined by HKAS 11 as a contract specifically negotiated for the construction of an asset.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group uses the “percentage of completion method” to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within “trade and other receivables”.

The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

### 2.17 Trade and Other Receivables

Trade receivables are amounts due from customers for properties sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **2.18 Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand and at banks, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

### **2.19 Share Capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's owners until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effect is included in equity attributable to the Company's owners.

### **2.20 Perpetual Capital Securities**

Perpetual capital securities with no contractual obligation to repay its principal or to pay any distribution are classified as part of equity.

### **2.21 Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to construction of hotel properties are included in non-current liabilities as deferred government grants and are credited to profit or loss on a straight-line basis over the expected lives of the related assets when they are completed and ready for use.

### **2.22 Trade Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.23 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2.24 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.25 Senior Notes

Senior notes issued by the Company that contain both liability and early redemption option (which is not closely related to the host contract) are classified separately into respective items on initial recognition. At the date of issue, both the liability and early redemption option components are recognised at fair value.

In subsequent periods, the liability component of the senior notes is carried at amortised cost using the effective interest method. The early redemption option is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the senior notes are allocated to the liability and early redemption option components in proportion to their relative fair values. Transaction costs relating to the early redemption option are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the senior notes using the effective interest method.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 Current and Deferred Income Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income.

#### (i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of statement of financial position in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### (ii) Deferred income tax

##### Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using the tax rates (and laws) that have been enacted or substantially enacted by the date of statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

##### Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 Current and Deferred Income Tax (Continued)

#### (iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 2.27 Employee Benefits

#### (i) Pension obligations

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group contributes on a monthly basis to various defined contribution benefit plans organised by the relevant governmental authorities. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Assets of the plans are held and managed by government authorities and are separated from those of the Group.

#### (ii) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 2.28 Share-Based Payments

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **2.28 Share-Based Payments (Continued)**

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

The grant by the Company of options over its equity instruments to the employees of subsidiaries in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investments in subsidiaries, with a corresponding credit to equity in the parent entity accounts.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

### **2.29 Provisions and Contingent Liabilities**

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.30 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of properties and services in the ordinary course of the Group's activities. Revenue is shown, net of discounts and after eliminating sales with the Group companies. Revenue is recognised as follows:

**(i) Sales of properties**

Revenue from sales of properties is recognised when the risks and rewards of properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers and collectability of related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated statement of financial position as advanced proceeds received from customers under current liabilities.

**(ii) Construction services**

Revenue arising from construction services is recognised in the accounting period in which the services is rendered, by reference to completion of the specific transaction assessed on the basis of the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract (note 2.16).

**(iii) Hotel operation**

Revenue from hotel operation is recognised in the accounting period in which the services are rendered.

**(iv) Property management**

Revenue arising from property management is recognised in the accounting period in which the services are rendered.

**(v) Decoration services**

Revenue from decoration services is recognised in the accounting period in which the services are rendered.

**(vi) Property investment**

Rental income from properties leasing under operating leases is recognised on a straight line basis over the lease terms.

### 2.31 Interest Income

Interest income is recognised on a time-proportion basis using the effective interest method.

### 2.32 Dividend Income

Dividend income is recognised when the right to receive payment is established.



## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **2.33 Leases**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

#### **(i) The Group is the lessee**

- (a) The Group is the lessee under operating lease other than land use rights

Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

- (b) The Group is the lessee under operating lease of land use rights

The Group made upfront payments to obtain operating leases of land use rights. The upfront payments of the land use rights are recorded as assets. The amortisation of land use rights is recognised as an expense on a straight-line basis over the unexpired period of the land use rights.

#### **(ii) The Group is the lessor**

Assets leased out under operating leases are included in investment properties in the consolidated statement of financial position. Rental income from operating lease is recognised over the term of the lease on a straight-line basis.

### **2.34 Dividend Distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

### **2.35 Insurance Contracts**

An insurance contract is a contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Insurance risk is a pre-existing risk transferred from the policyholder to the insurer, and is significant only if an insured event could cause an insurer to pay significant additional benefits in any scenario, excluding scenarios that lack commercial substance (i.e. have no discernible effect on the economics of the transaction).

The Group assesses at each reporting date whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in the consolidated statement of comprehensive income.

The Group regards its financial guarantee contracts provided in respect of mortgage facilities for certain property purchasers and financial guarantee contracts provided to its related parties as insurance contracts.

### 3 FINANCIAL RISK MANAGEMENT

The Group conducts its operations mainly in the PRC and accordingly is subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, influence of national authorities over pricing regulation and competition in the industry.

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The property industry is highly sensitive to the economic environment in the PRC, which will affect the volumes of property transactions and selling prices. The Group mainly relies on sales of properties and borrowings to fund its operations. All borrowings due for repayment in 2015 are anticipated to be repaid according to the terms of the loan agreements as the Group considers no renewal is necessary given its sufficient cash to finance its obligation. The Group has alternative plans (refer to note 3(a)(iv)) to monitor liquidity risk should there be significant adverse changes on the Group's cash flow projections.

#### (a) Financial Risk Factors

##### (i) Foreign exchange risk

The Group's businesses are principally conducted in RMB. The majority of assets is denominated in RMB. The majority of non-RMB assets and liabilities are bank deposits and borrowings denominated in Hong Kong Dollar ("HKD"), United States Dollar ("USD") and Ringgit Malaysia ("RM"). The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities which are denominated in non-RMB. The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates. The Group is considering to adopt foreign currency hedging policy to better manage its foreign exchange risk.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the respective dates of statement of financial position are as follows:

	Group		Company	
	2014 RMB'000	2013 RMB'000	2014 RMB'000	2013 RMB'000
Assets				
HKD	1,259,806	170,083	1,058,527	26,703
USD	491,159	1,034,314	233,125	735,768
RM	748,615	840,188	—	—
Other currencies	18,976	—	—	—
	<b>2,518,556</b>	2,044,585	<b>1,291,652</b>	762,471
Liabilities				
HKD	4,945,702	1,077,094	4,945,702	1,077,094
USD	23,244,847	24,780,131	23,244,847	24,780,131
RM	2,510,809	1,798,579	—	—
	<b>30,701,358</b>	27,655,804	<b>28,190,549</b>	25,857,225

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial Risk Factors (Continued)

##### (i) Foreign exchange risk (Continued)

The following table shows the sensitivity analysis of a 5% change in RMB against the relevant foreign currencies. The sensitivity analysis includes only foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates. Should RMB strengthened/weakened by 5% against the relevant currencies, the effect on the post-tax profit for the year would be as follows:

	Change of post-tax profit — increase/(decrease)			
	Group		Company	
	2014 RMB'000	2013 RMB'000	2014 RMB'000	2013 RMB'000
RMB against HKD:				
Strengthened by 5%	184,295	45,351	194,359	52,520
Weakened by 5%	(184,295)	(45,351)	(194,359)	(52,520)
RMB against USD:				
Strengthened by 5%	1,137,684	1,187,291	1,150,586	1,202,218
Weakened by 5%	(1,137,684)	(1,187,291)	(1,150,586)	(1,202,218)
RMB against RM:				
Strengthened by 5%	66,082	35,940	—	—
Weakened by 5%	(66,082)	(35,940)	—	—

##### (ii) Cash flow and fair value interest rate risk

###### The Group

The Group's interest rate risk arises from interest-bearing bank deposits, senior notes and bank and other borrowings. Bank deposits and bank and other borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Senior notes issued at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The Group currently does not use any interest rate swaps to hedge its exposure to interest rate risk. However, the Group will consider hedging significant interest rate exposure should the need arise.

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial Risk Factors (Continued)

##### (ii) Cash flow and fair value interest rate risk (Continued)

###### The Group (Continued)

As at 31 December 2014, borrowings of the Group which were bearing floating rates amounted to approximately RMB38,794,937,000 (2013: RMB33,189,233,000). As at 31 December 2014, should the interest rate be increased/decreased by 50 basis points with all other factors remain unchanged and without taking into account interest capitalisation, the finance costs of the Group would be increased/decreased by approximately RMB193,975,000 (2013: RMB165,946,000).

###### The Company

The Company's interest rate risk arises from senior notes and bank borrowings. Bank borrowings bearing floating rates expose the Company to cash flow interest rate risk. Senior notes issued at fixed rates expose the Company to fair value interest rate risk.

As at 31 December 2014, borrowings of the Company which were issued at floating rates amounted to approximately RMB5,916,787,000 (2013: RMB2,797,680,000). As at 31 December 2014, should the interest rate be increased/decreased by 50 basis points with all other factors remain unchanged, the finance costs of the Company would be increased/decreased by approximately RMB29,584,000 (2013: RMB13,988,000).

The Company's balances with subsidiaries are interest-free.

##### (iii) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, and cash deposits with banks.

The carrying amounts of trade and other receivables, restricted cash, cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage this risk, bank deposits are mainly placed with state-owned financial institutions and reputable banks which are all high-credit-quality financial institutions. The Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has no significant concentrations of credit risk, with exposure spread over a large number of counterparties and customers. For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables. The credit risk on available-for-sale financial assets is limited because the counterparty is a state-owned financial institution.

### **3 FINANCIAL RISK MANAGEMENT (Continued)**

#### **(a) Financial Risk Factors (Continued)**

##### **(iii) Credit risk (Continued)**

For prepayments in respect of acquisition of land use rights, the Group considers the risk is minimal as these prepayments were paid to the PRC government and will transfer to land use rights upon obtaining certificates from the PRC government. The Group has policies in place to monitor the issuance status of land use rights certificates.

For properties that are still under construction, the Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% of the total purchase price of the property. If a purchaser defaults on the payment of its mortgage during the term of the guarantee, the bank holding the mortgage may demand the Group to repay the outstanding amount under the loan and any accrued interest thereon. Under such circumstances, the Group is able to retain the customer's deposits and sell the property to recover any amounts paid by the Group to the bank. Unless the selling price would drop by no less than 30%, which is remote, the Group would not be in a loss position in selling those properties out. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced (refer to note 4(b) for more information).

The Group has arranged bank financing for certain purchasers of property units and provided guarantees to secure obligations of such purchasers for repayments. Detailed disclosure of these guarantees is made in note 37.

No credit limits were exceeded during the year, and management does not expect any losses from non-performance by these counterparties.

##### **(iv) Liquidity risk**

Management aims to maintain sufficient cash to meet funding requirement for operations and monitors rolling forecasts of the Group's cash on the basis of expected cash flow. The directors of the Company have prepared cash flow projections for the year ending 31 December 2015. Key assumptions used in the preparation of the cash flow projections for the year ending 31 December 2015 include: (1) proceeds from pre-sales in 2015 is expected to be higher than that of 2014; (2) construction payments match receipt of the relevant proceeds from pre-sales; (3) available project loan facility is expected to be no less than that of 2014 and (4) no breach of debt covenants is anticipated in 2015.

The Group has a number of alternative plans to mitigate the potential impacts on anticipated cash flows should there be significant adverse changes in economic environment. These include adjusting and further slowing down the construction progress as appropriate to ensure available resources for the development of properties for sale, implementing cost control measures and accelerating sales with more flexible pricing. The Group, will base on its assessment of the relevant future costs and benefits, pursue such options as are appropriate. The directors consider that the Group will be able to maintain sufficient financial resources to meet its operation needs.

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial Risk Factors (Continued)

##### (iv) Liquidity risk (Continued)

The table below analyses the Group's and the Company's non-derivative financial liabilities into relevant maturity grouping based on the remaining period at the date of statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

##### Group

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 31 December 2014					
Senior notes (principal amount plus interest)	4,373,938	1,926,338	14,914,106	10,882,259	32,096,641
Bank and other borrowings (principal amount plus interest)	14,724,811	16,010,340	12,104,758	547,681	43,387,590
Trade and other payables (excluding other taxes payable and salaries payable)	35,209,185	—	—	—	35,209,185
Total	54,307,934	17,936,678	27,018,864	11,429,940	110,693,416

##### Company

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 31 December 2014					
Senior notes (principal amount plus interest)	4,373,938	1,926,338	14,914,106	10,882,259	32,096,641
Bank borrowings (principal amount plus interest)	1,670,984	927,479	3,550,082	—	6,148,545
Total	6,044,922	2,853,817	18,464,188	10,882,259	38,245,186

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial Risk Factors (Continued)

##### (iv) Liquidity risk (Continued)

###### Group

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 31 December 2013					
Senior notes (principal amount plus interest)	4,473,219	4,356,997	12,955,913	11,517,425	33,303,554
Bank and other borrowings (principal amount plus interest)	12,143,708	11,955,518	13,214,840	694,786	38,008,852
Trade and other payables (excluding other taxes payable and salaries payable)	27,716,392	—	—	—	27,716,392
<b>Total</b>	<b>44,333,319</b>	<b>16,312,515</b>	<b>26,170,753</b>	<b>12,212,211</b>	<b>99,028,798</b>

###### Company

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 31 December 2013					
Senior notes (principal amount plus interest)	4,473,219	4,356,997	12,955,913	11,517,425	33,303,554
Bank borrowings (principal amount plus interest)	1,250,541	1,064,972	626,884	—	2,942,397
<b>Total</b>	<b>5,723,760</b>	<b>5,421,969</b>	<b>13,582,797</b>	<b>11,517,425</b>	<b>36,245,951</b>

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to optimise the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

Consistent with other companies in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including senior notes, as shown in the consolidated statement of financial position) less cash and cash equivalents and the guarantee deposits for construction of pre-sale properties.

The gearing ratios at 31 December 2014 and 2013 were as follows:

	Group	
	2014 RMB'000	2013 RMB'000
Total borrowings (notes 21 and 22)	61,068,699	56,248,778
Less: cash and cash equivalents (note 19)	(18,760,590)	(18,909,719)
guarantee deposits for construction of pre-sale properties (note 18)	(8,453,490)	(7,769,870)
Net debt	33,854,619	29,569,189
Total equity (excluding non-controlling interests)	56,686,205	43,953,620
Gearing ratio	59.7%	67.3%

The directors of the Company consider the Group's gearing ratio is within the healthy range.

#### (c) Fair Value Estimation

The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

At 31 December 2014 and 2013, the Group had no level 1 or level 2 financial instruments, the only level 3 financial instrument represented the available-for-sale financial assets (note 13).



### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Fair Value Estimation (Continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the changes in level 3 instruments for the year ended 31 December 2014.

	2014 RMB'000	2013 RMB'000
Opening balance	206,329	—
Transfers from other non-current assets	—	200,000
Fair value change	2,338	6,329
Closing balance	208,667	206,329

#### (d) Financial Instruments by Category

##### Group:

	2014			2013		
	Available- for-sale RMB'000	Loans and receivables RMB'000	Total RMB'000	Available- for-sale RMB'000	Loans and receivables RMB'000	Total RMB'000
<b>Assets as per consolidated statement of financial position</b>						
Available-for-sale financial assets	208,667	—	208,667	206,329	—	206,329
Trade and other receivables excluding prepayments	—	19,327,039	19,327,039	—	15,581,035	15,581,035
Restricted cash	—	8,453,490	8,453,490	—	7,769,870	7,769,870
Cash and cash equivalents	—	18,760,590	18,760,590	—	18,909,719	18,909,719
Total	208,667	46,541,119	46,749,786	206,329	42,260,624	42,466,953

##### Financial liabilities at amortised cost

	2014 RMB'000	2013 RMB'000
<b>Liabilities as per consolidated statement of financial position</b>		
Senior notes	22,273,762	23,059,545
Bank and other borrowings	38,794,937	33,189,233
Trade and other payables (excluding other taxes payable and salaries payable)	35,209,185	27,716,392
Total	96,277,884	83,965,170

**3 FINANCIAL RISK MANAGEMENT (Continued)****(d) Financial Instruments by Category (Continued)**

Company:

**Assets as per statement of financial position**

	<b>Loans and receivables</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
<b>At 31 December</b>		
Amounts due from subsidiaries	<b>25,705,230</b>	21,884,166
Other receivables	<b>2,781</b>	—
Cash and cash equivalents	<b>1,319,441</b>	762,588
<b>Total</b>	<b>27,027,452</b>	22,646,754

**Liabilities as per statement of financial position**

	<b>Financial liabilities at amortised cost</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
<b>At 31 December</b>		
Senior notes	<b>22,273,762</b>	23,059,545
Bank borrowings	<b>5,916,787</b>	2,797,680
Amounts due to subsidiaries	<b>—</b>	788,239
<b>Total</b>	<b>28,190,549</b>	26,645,464

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the consolidated financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year are discussed below.

### (a) Income Taxes and Deferred Taxation

Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

### (b) Revenue Recognition

The Group has recognised revenue from the sale of properties held for sale as disclosed in note 5. The assessment of when an entity has transferred the significant risks and rewards of ownership to buyers requires the examination of the circumstances of the transaction. In most cases, the transfer of risks and rewards of ownership coincides with the date when the equitable interest in the property vests with the buyer upon release of the respective property to the buyer.

As disclosed in note 37, the Group provides guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. These guarantees will normally be discharged upon issuance of the real estate ownership certificate which are generally be available within three months after the purchasers take possession of the relevant properties. In order to obtain mortgages, the purchasers would have settled no less than 30% of the total contract amount in accordance with related PRC regulations upon signing the sales contract. The directors of the Company are of the opinion that such settlements provide sufficient evidence of the purchasers' commitment to honour contractual obligation of the bank loans. In addition, based on the past experiences, defaults of mortgage facilities by the purchasers which resulted in the bank guarantees being called upon were rare and the financial impact was immaterial. Further, as disclosed in note 3(a)(iii), the credit risk of the Group under the circumstance that a purchaser defaults on the payment of its mortgage during the term of the guarantee is very low. Accordingly, the directors believe that significant risks and rewards associated to the ownership of the properties have been transferred to the purchasers upon the delivery of the properties to them.

#### **4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**

##### **(c) Estimates for Net Realisable Value of Properties under Development and Properties Held for Sale**

The Group assesses the carrying amounts of properties under development and properties held for sale according to their net realisable value based on the realisability of these properties. Net realisable value for properties under development is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses and the anticipated costs to completion (including land costs). Net realisable value for properties held for sale is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses. Based on management's best estimates, RMB147,284,000 of impairment provision was made as at 31 December 2014 (2013: nil), and there was no material unprovided impairment provision for properties under development and properties held for sale at 31 December 2014 and 2013.

##### **(d) Estimates for Impairment of Hotel Assets**

Management performs review for impairment of the hotel assets whenever events or changes in circumstances indicate that the carrying amounts of the hotel assets may not be recoverable. In such case, the recoverable amounts of hotel assets have been determined based on value-in-use method. The value-in-use calculations require the use of significant estimates and assumptions on the projections of cash flows from the continuous use of the hotel assets. The key assumptions used in determining the value-in-use of hotel assets mainly include:

- Discount rate of 12%;
- 4% growth rate after start-up period; and
- Occupancy rates of 60% to 65% after start-up period.

Based on management's best estimates, there was no material impairment for hotel assets at 31 December 2014 and 2013.

##### **(e) Estimates for Fair Value of Investment Properties**

The Group assesses the fair value of its investment properties based on valuations determined by independent and professional qualified valuer. Significant judgement and assumptions are required in assessing the fair value of the investment properties. Details of the judgement and assumptions are disclosed in Note 7.

## 5 SEGMENT INFORMATION – GROUP

The ED reviews the Group's internal reporting in order to assess performance and allocate resources. The ED has determined the operating segments based on these reports.

The ED considers the business from product perspective. From a product perspective, ED assesses the performance of:

- Property development;
- Construction, fitting and decoration;
- Property investment (new segment identified in the current year);
- Property management; and
- Hotel operation.

The ED assesses the performance of the operating segments based on a measure of operating profit.

Segment assets consist primarily of property, plant and equipment, intangible assets, land use rights, investment properties, properties under development, completed properties held for sale, inventories, receivables and operating cash. They exclude deferred income tax assets and available-for-sale financial assets. Segment liabilities consist primarily of operating liabilities. They exclude senior notes, bank and other borrowings, deferred income tax liabilities and income taxes payable.

Capital expenditure comprises additions to property, plant and equipment (note 6), investment properties (note 7), intangible assets (note 8) and land use rights (note 9).

Revenue consists of the following:

	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
		Restated
Sales of properties	<b>81,897,856</b>	60,043,348
Rendering of construction, fitting and decoration services	<b>467,872</b>	866,871
Rental income	<b>86,714</b>	42,854
Rendering of property management services	<b>964,066</b>	777,129
Rendering of hotel services	<b>1,132,295</b>	994,527
	<b>84,548,803</b>	62,724,729

Sales between segments are carried out according to the terms and condition agreed by the respective segments' management.

## 5 SEGMENT INFORMATION — GROUP (Continued)

The Group's entire revenue is attributable to the market in Mainland China and over 90% of the Group's non-current assets are located in Mainland China. No geographical information is therefore presented.

The Group has a large number of customers, none of whom contributed 5% or more of the Group's revenue.

Following the change of business plan of the Group during the year (note 7), property investment is identified as a separate operating segment in the year. In addition, rental income included in 'other income and gains — net' in the year ended 31 December 2013 has been reclassified to revenue to conform to current year presentation. The segment revenue and results of the property investment segment for the prior year were included in the property development segment.

The segment information provided to the ED for the reportable segments for the year ended 31 December 2014 is as follows:

	Construction,					Total Group
	Property development	fitting and decoration	Property investment	Property management	Hotel operation	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue	81,897,856	21,449,077	86,714	964,066	1,213,636	105,611,349
Inter-segment revenue	—	(20,981,205)	—	—	(81,341)	(21,062,546)
Revenue (from external customers)	81,897,856	467,872	86,714	964,066	1,132,295	84,548,803
Depreciation and amortisation	424,158	30,312	3,817	11,352	319,673	789,312
Operating profit/(loss)	15,027,422	(3,300)	1,906,185	(89,492)	(235,850)	16,604,965
<b>At 31 December 2014</b>						
Total segment assets	235,028,152	8,607,178	7,035,579	1,499,951	12,882,571	265,053,431
Capital expenditure	1,926,777	27,023	—	17,660	3,172,700	5,144,160
Total segment liabilities	124,665,546	6,616,117	—	1,029,748	645,565	132,956,976

## 5 SEGMENT INFORMATION – GROUP (Continued)

The segment information provided to the ED for the reportable segments for the year ended 31 December 2013 is as follows:

	Property development RMB'000	Construction, fitting and decoration RMB'000	Property management RMB'000	Hotel operation RMB'000	Total Group RMB'000
Segment revenue	60,086,202	14,144,254	777,129	1,129,982	76,137,567
Inter-segment revenue	—	(13,277,383)	—	(135,455)	(13,412,838)
Revenue (from external customers)	60,086,202	866,871	777,129	994,527	62,724,729
Depreciation and amortisation	263,425	19,062	7,884	300,398	590,769
Operating profit/(loss)	12,571,925	203,911	18,166	(98,149)	12,695,853
<b>At 31 December 2013</b>					
Total segment assets	184,926,936	5,834,901	1,243,197	12,228,043	204,233,077
Capital expenditure	1,927,732	195,278	22,659	3,174,540	5,320,209
Total segment liabilities	88,453,509	4,589,530	985,474	543,579	94,572,092

As at 31 December 2014, segment assets of the property development segment included the amounts of investments in associates and a joint venture accounted for using the equity method totalling approximately RMB55,866,000 (2013: RMB90,124,000).

## 5 SEGMENT INFORMATION – GROUP (Continued)

Reportable operating profits are reconciled to net profit as follows:

	2014 RMB'000	2013 RMB'000
Total operating profit	16,604,965	12,695,853
Finance (costs)/income – net	(195,582)	803,249
Share of results of associates and a joint venture	(40,258)	(25,949)
<b>Profit before income tax</b>	<b>16,369,125</b>	<b>13,473,153</b>
Income tax expenses	(5,757,225)	(4,625,173)
<b>Profit for the year</b>	<b>10,611,900</b>	<b>8,847,980</b>

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	2014 RMB'000	2013 RMB'000
Total segment assets	265,053,431	204,233,077
Deferred income tax assets	2,770,111	1,800,022
Available-for-sale financial assets	208,667	206,329
<b>Total assets</b>	<b>268,032,209</b>	<b>206,239,428</b>
Total segment liabilities	132,956,976	94,572,092
Deferred income tax liabilities	2,587,976	1,269,910
Income taxes payable	8,976,132	8,137,481
Senior notes	22,273,762	23,059,545
Bank and other borrowings	38,794,937	33,189,233
<b>Total liabilities</b>	<b>205,589,783</b>	<b>160,228,261</b>



## 6 PROPERTY, PLANT AND EQUIPMENT – GROUP

	Buildings RMB'000	Machinery RMB'000	Transportation equipment RMB'000	Furniture, fitting and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
<b>At 1 January 2013</b>						
Cost	6,927,907	383,105	580,992	807,084	4,594,622	13,293,710
Accumulated depreciation	(757,956)	(178,366)	(382,232)	(358,236)	–	(1,676,790)
Accumulated impairment	(3,007)	–	–	–	–	(3,007)
Net book amount	6,166,944	204,739	198,760	448,848	4,594,622	11,613,913
<b>Year ended 31 December 2013</b>						
Opening net book amount	6,166,944	204,739	198,760	448,848	4,594,622	11,613,913
Acquisition of subsidiaries	–	676	1,225	982	–	2,883
Additions	541,832	164,565	632,077	243,215	3,167,331	4,749,020
Transfer from construction in progress to buildings	897,059	–	–	–	(897,059)	–
Disposals	(11,512)	(1,939)	(13,173)	(1,562)	–	(28,186)
Depreciation	(248,118)	(36,791)	(79,144)	(145,233)	–	(509,286)
Exchange differences	–	–	(137)	83	–	(54)
Closing net book amount	7,346,205	331,250	739,608	546,333	6,864,894	15,828,290
<b>At 31 December 2013</b>						
Cost	8,350,085	530,095	1,193,519	1,047,493	6,864,894	17,986,086
Accumulated depreciation	(1,003,880)	(198,845)	(453,911)	(501,160)	–	(2,157,796)
Net book amount	7,346,205	331,250	739,608	546,333	6,864,894	15,828,290
<b>Year ended 31 December 2014</b>						
Opening net book amount	7,346,205	331,250	739,608	546,333	6,864,894	15,828,290
Additions	1,086,881	72,514	228,364	407,716	3,025,391	4,820,866
Transfer to investment properties	(1,109,822)	–	–	–	–	(1,109,822)
Transfer from construction in progress to buildings	4,029,941	–	–	–	(4,029,941)	–
Disposals	(125,731)	(23,237)	(11,430)	(15,656)	–	(176,054)
Depreciation	(336,237)	(44,109)	(149,310)	(189,058)	–	(718,714)
Exchange differences	(357)	32	(1,001)	(722)	–	(2,048)
Closing net book amount	10,890,880	336,450	806,231	748,613	5,860,344	18,642,518
<b>At 31 December 2014</b>						
Cost	12,193,612	577,305	1,398,052	1,433,227	5,860,344	21,462,540
Accumulated depreciation	(1,302,732)	(240,855)	(591,821)	(684,614)	–	(2,820,022)
Net book amount	10,890,880	336,450	806,231	748,613	5,860,344	18,642,518

## 6 PROPERTY, PLANT AND EQUIPMENT – GROUP (Continued)

Depreciation charge was capitalised or expensed in the following categories in the consolidated statement of financial position or the consolidated statement of comprehensive income:

	2014 RMB'000	2013 RMB'000
Properties under development	213,339	70,463
Cost of sales	309,271	256,550
Selling and marketing costs	46,458	24,232
Administrative expenses	149,646	158,041
	<b>718,714</b>	509,286

As at 31 December 2014, buildings with net book value of RMB3,557,170,000 (2013: RMB2,547,510,000) were pledged as collateral for the Group's borrowings.

As at 31 December 2014, title certificates of buildings with net book value of RMB4,718,032,000 (2013: RMB1,199,121,000) were still in the progress of being obtained.

Also as at 31 December 2014, included in buildings and construction in progress were the hotels located in the PRC with net book value of RMB10,923,814,000 (2013: RMB9,057,213,000).

## 7 INVESTMENT PROPERTIES – GROUP

	2014 RMB'000	2013 RMB'000
<b>Year ended 31 December</b>		
Opening net book amount	112,340	118,329
Additions	—	1,645
Depreciation	(3,817)	(7,634)
Transfer from property, plant and equipment and land use rights (note 6 and 9)	1,211,111	—
Transfer from properties under development and properties held for sale	1,883,593	—
Revaluation gains upon transfers	3,333,443	—
— from property, plant and equipment and land use rights	1,952,316	—
— from properties under development and properties held for sale	1,381,127	—
Fair value change	498,909	—
Closing net book amount	7,035,579	112,340
Gains arising from changes in fair value of and transfer to investment properties represent:		
— Revaluation gains upon transfer of properties under development and properties held for sales	1,381,127	—
— Fair value change	498,909	—
	1,880,036	—

Pursuant to a business plan approved by management on 30 June 2014, the Group changed the use of certain properties from holding for sale or self-use to earning long-term rental. The costs of these properties were previously included in “Properties under development”, “Completed properties held for sale”, “Property, plant and equipment” and “Land use rights”. As a result of the above change in use, approximately RMB1,502,850,000 of “Properties under development”, RMB380,743,000 of “Completed properties held for sale”, RMB1,109,822,000 of “Property, plant and equipment” and RMB101,289,000 of “Land use rights” were transferred to “Investment properties” during the year.

These properties were re-measured at their respective fair values upon transfer. For the properties transferred from “Properties under development” and “Completed properties held for sale” to “Investment properties”, the differences between the fair values and carrying amounts upon transfer, amounting to RMB1,381,127,000, were recognised in profit or loss as “Gains arising from changes in fair value of and transfer to investment properties”. For those properties transferred from “Property, plant and equipment” and “Land use rights” to “Investment properties”, the differences between the fair values and carrying amounts upon transfer, amounting to RMB1,952,316,000, were recognised directly in equity with related deferred income tax of RMB488,079,000 (note 27).

The Group’s policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. At 31 December 2014, the Group had only level 3 investment properties.

## 7 INVESTMENT PROPERTIES – GROUP (Continued)

### Valuation Processes of the Group

The Group's investment properties were valued at 31 December 2014 by Vigers Appraisal and Consulting Limited, an independent and professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates the highest and best use.

Discussions of valuation processes and results are held between management and the valuer on a semi-annual basis, in line with the Group's interim and annual reporting dates.

At each half year-end, management:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuations movements when compared to the prior year valuation report; and
- Holds discussions with the independent valuer.

### Valuation Techniques

Valuations are based on:

- (i) Direct comparison approach assuming sale of each of these properties in its existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as locations and property size, and/or
- (ii) Income approach taking into account the current rents of the property interests and the reversionary potentials of the tenancies, term yield and reversionary yield are then applied respectively to derive the market value of the property, or
- (iii) Residual method of valuation which is commonly used in valuing development sites by establishing the market value of the properties on an "as-if" completed basis with appropriate deduction on construction costs, professional fees, contingency, marketing and legal cost, and interest payments to be incurred, anticipated developer's profits, as well as land acquisition costs, interest payment and profit on land.

There were no changes to the valuation techniques during the year.

## 7 INVESTMENT PROPERTIES – GROUP (Continued)

### Valuation Techniques (Continued)

#### Information about fair value measurements using significant unobservable inputs (level 3)

	Fair value as at 31 December 2014	Valuation techniques	Unobservable inputs	Range of unobservable inputs
			The rate of return/capitalisation rate	4%-5.5%
Completed investment properties	4,213,399,000	Income capitalisation	Monthly rental (RMB/square meter/month)	20-75
		Direct comparison	Adjusted market price (RMB/square meter)	1,800-37,000
			Budgeted construction cost to be incurred (RMB/square meter)	240-1,900
Investment properties under construction	2,822,180,000		Remaining percentage to completion	10%-20%
		Residual method	Anticipated developer's profit margin	12%-15%

Relationships of unobservable inputs to fair value are as follows:

- The higher rate of return/capitalization rate, the lower fair value;
- The higher expected vacancy rate, the lower fair value;
- The higher monthly rental, the higher fair value;
- The higher market price, the higher fair value;
- The higher budgeted construction cost to be incurred, the lower fair value;
- The higher remaining percentage to completion, the lower fair value;
- The higher the anticipated developer's profit margin, the lower fair value;

## 7 INVESTMENT PROPERTIES – GROUP (Continued)

### Valuation Techniques (Continued)

#### Amounts recognised in profit or loss for investment properties

	2014 RMB'000	2013 RMB'000
Rental income	86,714	42,854

As at 31 December 2014, investment properties with fair value of RMB415,804,000 (2013: RMB270,000,000) were pledged as collateral for the Group's borrowings.

## 8 INTANGIBLE ASSETS – GROUP

	Computer software	
	2014 RMB'000	2013 RMB'000
<b>At 31 December</b>		
Cost	93,987	83,112
Accumulated amortisation	(45,907)	(39,635)
Disposal	(18,833)	–
Net book amount	29,247	43,477
<b>Year ended 31 December</b>		
Opening net book amount	43,477	22,632
Additions	10,875	37,776
Amortisation	(6,272)	(16,931)
Disposal	(18,833)	–
Closing net book amount	29,247	43,477

Amortisation expense has been charged in administrative expenses.

## 9 LAND USE RIGHTS – GROUP

	2014 RMB'000	2013 RMB'000
Opening net book amount	1,865,068	1,390,218
Additions	331,252	531,768
Transfer to investment properties	(101,289)	—
Amortisation	(60,509)	(56,918)
Closing net book amount	2,034,522	1,865,068

Amortisation expense has been charged in administrative expenses.

Land use rights are located in the PRC and for self-use, and held on leases of between 10 to 50 years.

As at 31 December 2014, land use rights with net book value of RMB1,333,941,000 (2013: RMB1,110,458,000) were pledged as collateral for the Group's borrowings.

## 10 PROPERTIES UNDER DEVELOPMENT – GROUP

	2014 RMB'000	2013 RMB'000
Properties under development expected to be completed:		
– Within the normal operating cycle included under current assets	105,993,980	67,473,799
– Beyond normal operating cycle included under non-current assets	44,638,652	40,080,095
	150,632,632	107,553,894
Amounts comprise:		
– Construction costs	86,023,485	58,166,423
– Land use rights	59,091,249	45,256,897
– Interest capitalised	5,517,898	4,130,574
	150,632,632	107,553,894

Properties under development expected to be completed within the normal operating cycle included under current assets did not have properties that were available for sale more than twelve months after the date of statement of financial position.

The capitalisation rate used to determine the amount of interest incurred eligible for capitalisation in 2014 was 8.16% (2013: 8.54%). Majority of the properties under development of the Group is located in the PRC.

As at 31 December 2014, land use rights included in properties under development with net book value of RMB15,247,795,000 (2013: RMB11,494,935,000) were pledged as collateral for the Group's borrowings.

**11 INVESTMENTS IN ASSOCIATES – GROUP**

	2014 RMB'000	2013 RMB'000
At 1 January	56,791	114,351
Addition	6,000	—
Share of loss	(28,299)	(57,560)
At 31 December	34,492	56,791

The directors of the Company consider that all associates, individually and collectively, as at 31 December 2014 and 2013 were insignificant to the Group and thus the individual financial information of these associates are not disclosed.

As of 31 December 2014, there were no significant contingent liabilities relating to the Group's interests in associates except for the contingent liability arising from the guarantee that the Group provided to Guangzhou Li He Property Development Company Limited (廣州利合房地產開發有限公司, "Li He"), in which the Group held 20% equity interest, for its borrowings (note 37).

**12 INVESTMENT IN A JOINT VENTURE – GROUP**

	2014 RMB'000	2013 RMB'000
At 1 January	33,333	1,722
Share of (loss)/profit	(11,959)	31,611
At 31 December	21,374	33,333

The directors of the Company consider that the joint venture as at 31 December 2014 and 2013 was insignificant to the Group and thus the individual financial information of the joint venture is not disclosed.

As of 31 December 2014, there were no significant contingent liabilities and commitments relating to the Group's interest in the joint venture except for the contingent liability arising from the guarantee that the Group provided for its borrowings (note 37).



### 13 AVAILABLE-FOR-SALE FINANCIAL ASSETS – GROUP

	2014 RMB'000	2013 RMB'000
Unlisted equity investment at fair value:		
<b>At 1 January</b>	<b>206,329</b>	—
Transferred from other non-current assets	—	200,000
Fair value change (note 25)	<b>2,338</b>	6,329
<b>At 31 December</b>	<b>208,667</b>	206,329

The Group's available-for-sale financial assets represent a 3.95% equity interest in an unlisted investment fund company which was established in March 2013 in the PRC. The available-for-sale financial assets are denominated in RMB.

The fair value of the available-for-sale investment at 31 December 2014 was determined with reference to the Group's share of the net asset value of the investment fund company. The fair value measurement of the available-for-sale investment is categorised within level 3 of the fair value hierarchy.

### 14 INVESTMENTS IN SUBSIDIARIES – COMPANY

	2014 RMB'000	2013 RMB'000
Non-current asset		
– Unlisted investments at cost	<b>29,252,963</b>	27,757,698
– Deemed contribution arising from share-based compensation (note (i))	<b>56,335</b>	15,167
	<b>29,309,298</b>	27,772,865

- (i) The amount represents share-based compensation expenses arising from the grant of share options of the Company to employees (note 25) in exchange for their services provided to certain subsidiaries of the Group, which were deemed to be capital contribution made by the Company to these subsidiaries.
- (ii) Amounts due from/(to) subsidiaries are interest free, unsecured and repayable on demand.
- (iii) Details of the principal subsidiaries as at 31 December 2014 are set out in note 41. The directors of the Company consider that the non-controlling interests of the Company's non-wholly owned subsidiaries (excluding perpetual capital securities (note 26)) were insignificant to the Group and thus the individual financial information of these subsidiaries are not disclosed.

**15 COMPLETED PROPERTIES HELD FOR SALE – GROUP**

	2014	2013
	RMB'000	RMB'000
Completed properties held for sale	23,203,236	18,919,822

The completed properties held for sale are located in the PRC.

**16 INVENTORIES – GROUP**

	2014	2013
	RMB'000	RMB'000
Construction materials and spare parts	2,095,143	572,863

**17 TRADE AND OTHER RECEIVABLES – GROUP**

	2014	2013
	RMB'000	RMB'000
Trade receivables (note (a))	8,690,063	6,274,434
Land auction deposits	2,600,236	2,310,096
Other receivables (notes (a) and (b))	4,422,791	3,760,664
Amounts due from customers for contract work (note (c))	1,269,592	891,484
Prepayments for land use rights (note (d))	3,280,822	7,570,306
Amount due from an associate (note 39(d))	2,039,745	2,039,745
Amount due from a joint venture (note 39(d))	304,612	304,612
Other prepayments (note (e))	2,763,041	3,227,059
	25,370,902	26,378,400

As at 31 December 2014, the fair value of trade and other receivables approximates their carrying amounts.

## 17 TRADE AND OTHER RECEIVABLES – GROUP (Continued)

- (a) Trade receivables mainly arise from sales of properties. Property buyers are generally granted credit terms of 1 to 6 months. The ageing analysis of trade receivables based on revenue recognition date is as follows:

	2014 RMB'000	2013 RMB'000
Within 90 days	7,399,889	5,283,477
Over 90 days and within 180 days	640,911	398,542
Over 180 days and within 365 days	436,609	338,579
Over 365 days	212,654	253,836
	<b>8,690,063</b>	6,274,434

At 31 December 2014 and 2013, trade receivables were denominated in RMB.

Trade receivables are analysed as follows:

	2014 RMB'000	2013 RMB'000
Fully performing under credit terms	8,451,516	6,081,471
Past due but not impaired	238,547	192,963
	<b>8,690,063</b>	6,274,434

Past due but not impaired receivables mainly represent receivables from sales of properties. The directors consider that these receivables would be recovered and no provision was therefore made against past due receivables as at 31 December 2014 (2013: nil). The ageing analysis of these trade receivables is as follows:

	2014 RMB'000	2013 RMB'000
Over 90 days and within 180 days	97,515	80,813
Over 180 days and within 365 days	95,164	84,512
Over 365 days	45,868	27,638
	<b>238,547</b>	192,963

**17 TRADE AND OTHER RECEIVABLES – GROUP (Continued)**

(a) (Continued)

The other classes within trade and other receivables did not contain impaired assets and there had been no material default history for these receivables.

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers. Trade receivables were collateralised by the properties sold.

(b) Other receivables mainly represent advances made to outsourced construction and design vendors, which are interest-free, unsecured and repayable on demand.

(c) Amounts due from customers for contract work at the date of statement of financial position are as follows:

	<b>Group</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
Cost incurred	<b>4,252,364</b>	4,916,387
Recognised profits (less recognised losses)	<b>1,079,993</b>	2,090,478
	<b>5,332,357</b>	7,006,865
Less: progress billings	<b>(4,062,765)</b>	(6,115,381)
	<b>1,269,592</b>	891,484
Represented by:		
Amounts due from customers	<b>1,269,592</b>	891,484
Including: Related parties (note 39(d))	<b>908,173</b>	700,197
Third parties	<b>361,419</b>	191,287

(d) Prepayments for land use rights are related to acquisition of land use rights upon successfully bidding at the land auctions conducted by the PRC government. The relevant land use right certificates have not been obtained at 31 December 2014.

(e) Other prepayments mainly represent prepayments for purchases of construction materials and services.

## 18 RESTRICTED CASH – GROUP

The amount represented guarantee deposits for construction of pre-sale properties denominated in RMB.

In accordance with relevant documents issued by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts certain amount of presale proceeds of properties as guarantee deposits for the constructions of the related properties. The deposits can only be used for payments for construction costs of the relevant properties when approval from PRC State-Owned Land and Resource Bureau is obtained. Such guarantee deposits will only be released after the completion certificates have been obtained or the issuance of the real estate ownership certificates, whichever is earlier.

## 19 CASH AND CASH EQUIVALENTS

	Group		Company	
	2014 RMB'000	2013 RMB'000	2014 RMB'000	2013 RMB'000
Cash at bank and in hand:				
Denominated in RMB	24,695,524	24,605,140	27,757	117
Denominated in HKD	1,259,806	170,083	1,058,553	26,703
Denominated in USD	491,159	1,034,314	233,131	735,768
Denominated in RM	748,615	840,188	—	—
Denominated in other currencies	18,976	29,864	—	—
Less: restricted cash (note 18)	(8,453,490)	(7,769,870)	—	—
	18,760,590	18,909,719	1,319,441	762,588

The conversion of RMB and RM denominated balances into foreign currencies and the remittance of these foreign currencies denominated bank balances and cash out of the PRC and Malaysia are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC and Malaysia governments.

## 20 TRADE AND OTHER PAYABLES – GROUP

	2014	2013
	RMB'000	RMB'000
Trade payables (note)	26,875,334	18,045,410
Other payables	7,813,785	9,153,619
Other taxes payable	2,223,947	1,663,780
Salaries payable	3,491,833	1,534,448
Accrued expenses	520,066	517,363
	<b>40,924,965</b>	<b>30,914,620</b>

As at 31 December 2014, the carrying amounts of trade and other payables approximate their fair values.

Note:

The ageing analysis of trade payables was as follows:

	2014	2013
	RMB'000	RMB'000
Within 90 days	25,106,015	16,696,591
Over 90 days and within 180 days	740,388	745,092
Over 180 days and within 365 days	510,070	309,170
Over 365 days	518,861	294,557
	<b>26,875,334</b>	<b>18,045,410</b>

## 21 SENIOR NOTES

The Group has issued the following senior notes:

- (a) On 10 September 2009, the Company issued senior notes in an aggregate principal amount of USD300,000,000. On 23 September 2009, the Company made an additional issue of senior notes in an aggregated principal amount of USD75,000,000 (collectively the “2014 Notes”). The 2014 Notes carried interest at the rate of 11.75% per annum, payable semi-annually on 10 March and 10 September in arrears, and were repaid upon maturity on 10 September 2014.

## 21 SENIOR NOTES (Continued)

- (b) On 22 April 2010, the Company issued senior notes in an aggregate principal amount of USD550,000,000 (the “2017 Notes”). The 2017 Notes carry interest at the rate of 11.25% per annum, payable semi-annually on 22 April and 22 October in arrears, and will mature on 22 April 2017, unless redeemed earlier. On 15 June 2014, all the outstanding 2017 Notes were early redeemed at a redemption price equal to 105.625% of the principal amount plus accrued and unpaid interest of USD9,281,000 to the redemption date. The total redemption price paid by the Company on the redemption date was USD590,219,000. The difference between the redemption price and the carrying amount of the 2017 Notes on the redemption date, amounting to USD30,938,000 (equivalent to approximately RMB189,493,000), was recognised in consolidated statement of comprehensive income under ‘finance costs’ (note 31)
- (c) On 11 August 2010, the Company issued senior notes in an aggregate principal amount of USD400,000,000 (the “2015 Notes”). The 2015 Notes carry interest at the rate of 10.50% per annum, payable semi-annually on 11 August and 11 February in arrears, and will mature on 11 August 2015, unless redeemed earlier.
- (d) On 23 February 2011, the Company issued senior notes in an aggregate principal amount of USD900,000,000 (the “2018 Notes”). The 2018 Notes carry interest at the rate of 11.125% per annum, payable semi-annually on 23 February and 23 August in arrears, and will mature on 23 February 2018, unless redeemed earlier.
- (e) On 10 January 2013, the Company issued senior notes in an aggregate principal amount of USD750,000,000 (the “2023 Notes”). The 2023 Notes carry interest at the rate of 7.5% per annum, payable semi-annually on 10 January and 10 July in arrears, and will mature on 10 January 2023, unless redeemed earlier.
- (f) On 4 October 2013, the Company issued senior notes in an aggregate principal amount of USD750,000,000 (the “2021 Notes”). The 2021 Notes carry interest at the rate of 7.25% per annum, payable semi-annually on 4 October and 4 April in arrears, and will mature on 4 April 2021, unless redeemed earlier.
- (g) On 27 May 2014, the Company issued senior notes in an aggregate principal amount of USD550,000,000 (the “2019 Notes I”). The 2019 Notes I carry interest at the rate of 7.875% per annum, payable semi-annually on 17 May and 27 November in arrears, and will mature on 17 May 2019, unless redeemed earlier.
- (h) On 5 June 2014, the Company issued senior notes in an aggregate principal amount of USD250,000,000 (the “2019 Notes II”). The 2019 Notes II were issued by way of private placement and carry interest at the rate of 7.5% per annum, payable semi-annually on 5 June and 5 December in arrears, and will mature on 5 June 2019, unless redeemed earlier.

Except for the 2019 Notes II, all senior notes are listed on the Singapore Exchange Securities Trading Limited.

## 21 SENIOR NOTES (Continued)

All senior notes contain a liability component and the early redemption options:

Liability component represents the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the embedded derivatives.

The interest charged for the year is calculated by applying an effective interest rate of approximately 12.11%, 11.81%, 11.23%, 11.69%, 7.72%, 7.64%, 8.52% and 7.5% per annum to the liability component of the 2014 Notes, 2017 Notes, 2015 Notes, 2018 Notes, 2023 Notes, 2021 Notes, 2019 Notes I and 2019 Notes II respectively.

Early redemption options are regarded as embedded derivatives not closely related to the host contract. The directors consider that the fair value of the above early redemption options was insignificant on initial recognition and at 31 December 2014 and 2013.

The senior notes recognised in the statement of financial position were calculated as follows:

	Group and Company	
	2014 RMB'000	2013 RMB'000
As at 1 January	23,059,545	14,213,224
Additions	4,849,502	9,136,339
Early redemption and repayment on maturity	(5,686,103)	—
Exchange losses/(gains)	68,203	(593,909)
Interest expenses (note 31)	2,244,632	2,015,289
Coupon paid	(2,262,017)	(1,711,398)
As at 31 December	22,273,762	23,059,545
Less: current portion	(2,538,757)	(2,348,003)
Included in non-current liabilities	19,735,005	20,711,542

The fair value of the senior notes at 31 December 2014 was RMB21,593,997,000 (2013: RMB23,943,435,000). The fair value is calculated using the market price of the senior notes on the date of statement of financial position. The fair value measurement of the senior notes is categorised within the level 1 of fair value hierarchy.

At 31 December 2014, the aggregate amount of senior notes that were wholly repayable within 5 years and after 5 years was RMB13,024,928,000 (2013: RMB13,835,922,000) and RMB9,248,834,000 (2013: RMB9,223,623,000), respectively.



## 22 BANK AND OTHER BORROWINGS

	Group		Company	
	2014 RMB'000	2013 RMB'000	2014 RMB'000	2013 RMB'000
Included in non-current liabilities:				
– secured	26,531,036	24,713,828	—	—
– unsecured	10,581,878	6,485,764	5,916,787	2,396,564
Less: current portion	(10,708,656)	(8,096,586)	(1,439,277)	(745,041)
	26,404,258	23,103,006	4,477,510	1,651,523
Included in current liabilities:				
– secured	725,000	200,579	—	—
– unsecured	957,023	1,789,062	—	401,116
Current portion of non-current liabilities	10,708,656	8,096,586	1,439,277	745,041
	12,390,679	10,086,227	1,439,277	1,146,157

The Group's borrowings of RMB26,316,236,000 as at 31 December 2014 (2013: RMB24,304,407,000), were jointly secured by certain properties, land use rights and equipment of the Group (notes 6, 7, 9 and 10) with total carrying values of RMB20,554,710,000 as at 31 December 2014 (2013: RMB15,234,825,000). The Group's borrowings of RMB939,800,000 as at 31 December 2014 (2013: RMB610,000,000) were guaranteed by the Company and secured by the Group's equity interest in certain subsidiaries.

Other borrowings represented RMB257,026,000 (2013: RMB301,748,000) of borrowings under a financing arrangement entered into by the Group with a third-party financing company in the form of a sale and leaseback transaction with a repurchase option. The subject sold and leased back under the financing arrangement is a transportation equipment of the Group. As the repurchase price is set at RMB1 which is minimal compared to the expected fair value and the Group is certain that it will exercise the repurchase option, the above financing arrangement has been accounted for as collateralised borrowings of the Group.

The exposure of the Group's and Company's bank and other borrowings to interest-rate changes and the contractual repricing dates or maturity date whichever is earlier are as follows:

	Group		Company	
	6 months or less RMB'000	6-12 months RMB'000	6 months or less RMB'000	6-12 months RMB'000
Borrowings included in non-current liabilities:				
At 31 December 2014	26,147,232	257,026	4,477,510	—
At 31 December 2013	22,801,258	301,748	1,651,523	—
Borrowings included in current liabilities:				
At 31 December 2014	12,390,679	—	1,439,277	—
At 31 December 2013	10,086,227	—	1,146,157	—

**22 BANK AND OTHER BORROWINGS (Continued)**

At 31 December 2014, the Group's bank and other borrowings were repayable as follows:

	Group		Company	
	2014 RMB'000	2013 RMB'000	2014 RMB'000	2013 RMB'000
Within 1 year	12,390,679	10,086,227	1,439,277	1,146,157
Between 1 and 2 years	14,644,053	10,656,172	1,282,465	1,041,792
Between 2 and 5 years	11,231,453	11,776,548	3,195,045	609,731
Over 5 years	528,752	670,286	—	—
	<b>38,794,937</b>	<b>33,189,233</b>	<b>5,916,787</b>	<b>2,797,680</b>

	Group		Company	
	2014 RMB'000	2013 RMB'000	2014 RMB'000	2013 RMB'000
Wholly repayable within 5 years	37,092,409	31,538,735	5,916,787	2,797,680
Wholly repayable after 5 years	1,702,528	1,650,498	—	—
	<b>38,794,937</b>	<b>33,189,233</b>	<b>5,916,787</b>	<b>2,797,680</b>

The weighted average effective interest rates as at 31 December were as follows:

	Group		Company	
	2014	2013	2014	2013
— Bank and other borrowings	7.16%	7.34%	3.33%	4.19%

The carrying amounts of the bank and other borrowings approximate their fair values.

The carrying amounts of the bank and other borrowings are denominated in the following currencies:

	Group		Company	
	2014 RMB'000	2013 RMB'000	2014 RMB'000	2013 RMB'000
RMB	30,367,341	29,146,093	—	—
HKD	4,945,702	1,077,094	4,945,702	1,077,094
USD	971,085	1,720,586	971,085	1,720,586
RM	2,510,809	1,245,460	—	—
	<b>38,794,937</b>	<b>33,189,233</b>	<b>5,916,787</b>	<b>2,797,680</b>

## 23 SHARE CAPITAL AND PREMIUM

	Note	Company						Group total
		Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares	Share premium	Total	Treasury shares	
			HKD'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Authorised</b>								
At 1 January 2013, 31 December 2013 and 2014, HKD0.10 per share		100,000,000,000	10,000,000					
<b>Issued and fully paid</b>								
At 1 January 2013		18,229,660,154	1,822,966	1,771,631	17,977,360	19,748,991	(380,236)	19,368,755
Issue of shares as a result of the scrip dividend scheme		227,874,023	22,787	18,106	782,158	800,264	—	800,264
At 31 December 2013 and 1 January 2014		18,457,534,177	1,845,753	1,789,737	18,759,518	20,549,255	(380,236)	20,169,019
Issue of shares as a result of the scrip dividend scheme	(a)	622,296,869	62,230	49,398	1,542,203	1,591,601	—	1,591,601
Issue of shares as a result of the Rights Issue	(b)	1,271,988,736	127,199	100,869	2,400,558	2,501,427	—	2,501,427
At 31 December 2014		<b>20,351,819,782</b>	<b>2,035,182</b>	<b>1,940,004</b>	<b>22,702,279</b>	<b>24,642,283</b>	<b>(380,236)</b>	<b>24,262,047</b>

Notes:

- (a) On 16 June 2014, a scrip dividend scheme was issued whereby shareholders may elect to receive cash dividend of RMB16.83 cents per share or an allotment of such number of new shares credited as fully paid and having an aggregate market value equal to, save for adjustment for fractions, the total amount of 2013 final dividend which such shareholder could receive in cash (the "Maximum Entitlement") or partly new shares not exceeding the Maximum Entitlement and the remainder in cash. On 11 July 2014, 622,296,869 new shares were issued as a result of the above scrip dividend scheme at a price of HKD3.22 per share (representing the average of the closing prices of the Company's ordinary shares for the five consecutive trading days up to and including 28 May 2014), for a total consideration of HKD2,003,796,000 (equivalent to approximately RMB1,591,601,000).
- (b) On 13 October 2014, the Group issued 1,271,988,736 rights shares at a subscription price of HKD2.50 each on the basis of one rights share for every fifteen shares held payable in full on acceptance (the "Rights Issue"). The net proceeds from the Rights Issue were approximately RMB2,501,427,000. As a result of the Rights Issue, adjustments were made to the exercise price and the number of shares falling to be issued upon the exercise of the share options in accordance with the terms of the Group's share option scheme (note 24). Additionally, the basic and diluted earnings per share figures for the year ended 31 December 2013 have also been restated (note 36).

## 24 SHARE OPTION SCHEME – GROUP

On 30 November 2012, the Group granted 3,000,000 share options (adjusted to 3,044,358 as a result of the Rights Issue) with an exercise price of HKD3.7 per share (adjusted to HKD3.646 per share as a result of the Rights Issue) to certain independent non-executive directors. The options were vested immediately after the grant date and have a contractual option term of 10 years. The Group has no legal or contractual obligation to repurchase or settle the options in cash.

On 13 December 2013, the Group granted 6,173,457 share options (adjusted to 6,264,738 as a result of the Rights Issue) with an exercise price of HKD4.844 per share (adjusted to HKD4.773 per share as a result of the Rights Issue) to certain directors and employees in connection with a profit sharing incentive scheme (the “Incentive Scheme”) adopted by the Group. Pursuant to the Incentive Scheme, certain portion of the bonus calculated in accordance with the Incentive Scheme is settled in cash, while the remaining portion is settled in the Company’s share options as the consideration for the costs to exercise the share options. The share options were exercisable commencing from 13 December 2018 to 12 December 2023 (both days inclusive). The vesting period of the above share options is 5 years from the grant date. The fair value of these share options at the grant date approximated the portion of bonus which is to be settled in the Company’s share options.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2014		2013	
	Average exercise price (HKD per share)	Number of options	Average exercise price (HKD per share)	Number of options
At 1 January	4.404	9,309,096	3.646	3,044,358
Granted	—	—	4.773	6,264,738
Lapsed	4.773	(168,081)	—	—
At 31 December	4.397	9,141,015	4.404	9,309,096

None of the above share options were exercised during the years ended 31 December 2014 and 2013.

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Expiry date	Exercise price in HKD per share	Number of share options
29 November 2022	3.646	3,044,358
12 December 2023	4.773	6,096,657

The Group has to estimate the expected percentage of grantees that will stay within the Group at the end of vesting periods of the shares options (the “Expected Retention Rate”) in order to determine the amount of share-based compensation expenses charged to profit or loss. As at 31 December 2014, the Expected Retention Rate was assessed to be 100% (2013: 100%).

## 25 OTHER RESERVES AND RETAINED EARNINGS

### Group

	Other reserves									
	Merger reserve RMB'000 (note (a))	Statutory reserves RMB'000 (note (b))	Conversion option reserve RMB'000	Share option reserve RMB'000 (note 24)	Available- for-sale reserve RMB'000 (note 13)	Translation reserve RMB'000	Others RMB'000	Sub-Total RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2013	(149,801)	2,022,292	29,801	3,000	—	(3,328)	—	1,901,964	16,306,430	18,208,394
Profit for the year	—	—	—	—	—	—	—	—	8,514,104	8,514,104
Transfer to statutory reserves	—	749,706	—	—	—	—	—	749,706	(749,706)	—
Effect of redemption of convertible bond upon maturity	—	—	(29,801)	—	—	—	—	(29,801)	29,801	—
2012 final dividends	—	—	—	—	—	—	—	—	(2,510,111)	(2,510,111)
Currency translation differences	—	—	—	—	—	(43,806)	—	(43,806)	—	(43,806)
Employee share option scheme:										
– Value of employee service	—	—	—	15,167	—	—	—	15,167	—	15,167
Changes in ownership interests in subsidiaries without change of control	—	—	—	—	—	—	(405,476)	(405,476)	—	(405,476)
Change in the value of available-for-sale financial assets, net of tax	—	—	—	—	6,329	—	—	6,329	—	6,329
Balance at 31 December 2013	(149,801)	2,771,998	—	18,167	6,329	(47,134)	(405,476)	2,194,083	21,590,518	23,784,601
Representing:										
2013 proposed final dividend									3,105,759	
Others									18,484,759	
									21,590,518	

**25 OTHER RESERVES AND RETAINED EARNINGS (Continued)****Group**

	Other reserves									
	Merger reserve RMB'000 (note (a))	Statutory reserves RMB'000 (note (b))	Share option reserve RMB'000 (note 24)	Available- for-sale RMB'000 (note 13)	Translation reserve RMB'000	Revaluation reserve RMB'000	Others RMB'000	Total RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2014	(149,801)	2,771,998	18,167	6,329	(47,134)	-	(405,476)	2,194,083	21,590,518	23,784,601
Profit for the year	-	-	-	-	-	-	-	-	10,229,159	10,229,159
Transfer to statutory reserves	-	540,156	-	-	-	-	-	540,156	(540,156)	-
2013 final dividends	-	-	-	-	-	-	-	-	(3,098,811)	(3,098,811)
Currency translation differences	-	-	-	-	4,466	-	-	4,466	-	4,466
Employee share option scheme:										
– Value of employee service	-	-	38,168	-	-	-	-	38,168	-	38,168
– Revaluation gains on properties upon transfer from property, plant and equipment and land use rights to investment properties, net of tax (note 7)	-	-	-	-	-	1,464,237	-	1,464,237	-	1,464,237
Change in fair value of available-for-sale financial assets, net of tax	-	-	-	2,338	-	-	-	2,338	-	2,338
Balance at 31 December 2014	(149,801)	3,312,154	56,335	8,667	(42,668)	1,464,237	(405,476)	4,243,448	28,180,710	32,424,158
Representing:										
2014 proposed final dividend									3,001,893	
Others									25,178,817	
									28,180,710	

## 25 OTHER RESERVES AND RETAINED EARNINGS (Continued)

### Company

	Other reserves			Retained earnings	Total
	Conversion option reserve	Share option reserve	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2013	29,801	3,000	32,801	2,870,910	2,903,711
Profit for the year (note 35)	—	—	—	2,815,341	2,815,341
2012 final dividend	—	—	—	(2,510,111)	(2,510,111)
Employee share option scheme:					
— Value of employee service	—	15,167	15,167	—	15,167
Effect of redemption of convertible bond upon maturity	(29,801)	—	(29,801)	29,801	—
Balance at 31 December 2013	—	18,167	18,167	3,205,941	3,224,108
Representing:					
2013 proposed final dividend				3,105,759	
Others				100,182	
				3,205,941	
Balance at 1 January 2014	—	18,167	18,167	3,205,941	3,224,108
Profit for the year (note 35)	—	—	—	3,339,282	3,339,282
2013 final dividend	—	—	—	(3,098,811)	(3,098,811)
Employee share option scheme:					
— Value of employee service	—	38,168	38,168	—	38,168
Balance at 31 December 2014	—	56,335	56,335	3,446,412	3,502,747
Representing:					
2014 proposed final dividend				3,001,893	
Others				444,519	
				3,446,412	

#### Notes:

- (a) Merger reserve of the Group represented the difference between the share capital of subsidiaries acquired pursuant to a group reorganisation undertaken for the listing of Company on the main board of the Stock Exchange in 2007 over the nominal value of shares of the Company issued in exchange thereof.
- (b) Pursuant to the relevant rules and regulations governing foreign investment enterprise established in the PRC and the articles of association of certain PRC subsidiaries of the Group, the subsidiaries are required to transfer certain portion of their profit after taxation to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their respective registered capital.

## 26 PERPETUAL CAPITAL SECURITIES – GROUP

In April and May 2014, certain subsidiaries (the “Issuing Subsidiaries”) of the Group issued subordinated unlisted perpetual capital securities (the “Perpetual Capital Securities”) with an aggregated principal amount of RMB3,090,000,000 to certain financial institutions in the PRC.

The Perpetual Capital Securities are jointly guaranteed by the Company and Issuing Subsidiaries and secured by pledges of the shares of Issuing Subsidiaries. They do not have maturity date and the distribution payments can be deferred at the discretion of the Issuing Subsidiaries. The Perpetual Capital Securities are classified as equity instruments and recorded in non-controlling interests in the consolidated statement of financial position.

During the year ended 31 December 2014, the Issuing Subsidiaries declared distributions of totalling RMB207,169,000 to the holders of the Perpetual Capital Securities, of which RMB24,873,000 has not been paid and recorded as dividend payable as at 31 December 2014.

## 27 DEFERRED INCOME TAX – GROUP

The analysis of deferred tax assets and liabilities is as follows:

	2014 RMB'000	2013 RMB'000
Deferred income tax assets:		
— to be realised after more than 12 months	1,627,377	1,186,838
— to be realised within 12 months	1,142,734	613,184
	<b>2,770,111</b>	1,800,022
Deferred income tax liabilities:		
— to be settled after more than 12 months	<b>(2,587,976)</b>	(1,269,910)
	<b>182,135</b>	530,112

The net movement on the deferred income tax account is as follows:

	2014 RMB'000	2013 RMB'000
Beginning of the year	530,112	524,946
Acquisition of subsidiaries	—	(93,489)
Charged to other comprehensive income	<b>(488,079)</b>	—
Recognised in profit or loss (note 32)	<b>140,102</b>	98,655
End of the year	<b>182,135</b>	530,112



## 27 DEFERRED INCOME TAX – GROUP (Continued)

Movement in deferred tax assets and liabilities without taking into consideration the offsetting of balances within the same tax jurisdiction is as follows:

Deferred income tax assets:

	<b>Impairment of assets</b>	<b>Recognition of expenses</b>	<b>Elimination of unrealised profits</b>	<b>Tax losses</b>	<b>Total</b>
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2013	536	134,431	830,179	484,181	1,449,327
(Charged)/Credited to profit or loss	(536)	(106,317)	241,731	215,817	350,695
At 31 December 2013	—	28,114	1,071,910	699,998	1,800,022
At 1 January 2014	—	<b>28,114</b>	<b>1,071,910</b>	<b>699,998</b>	<b>1,800,022</b>
Credited to profit or loss	—	<b>49,103</b>	<b>324,396</b>	<b>596,590</b>	<b>970,089</b>
At 31 December 2014	—	<b>77,217</b>	<b>1,396,306</b>	<b>1,296,588</b>	<b>2,770,111</b>

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets as at 31 December 2014 of RMB8,946,000 (2013: RMB10,620,000) in respect of accumulated tax losses amounting to RMB35,785,000 as at 31 December 2014 (2013: RMB42,481,000), of which RMB3,089,000, RMB12,629,000, RMB17,427,000, RMB2,374,000 and RMB266,000 as at 31 December 2014 will expire in 2015, 2016, 2017, 2018 and 2019 respectively.

**27 DEFERRED INCOME TAX – GROUP (Continued)**

Deferred income tax liabilities:

	Fair value gain on assets acquired RMB'000	Recognition of construction contract revenue and contract costs RMB'000	Withholding income tax on profit to be distributed in future RMB'000 (note)	Fair value gain on investment properties RMB'000	Total RMB'000
At 1 January 2013	(33,008)	(513,040)	(378,333)	—	(924,381)
Acquisition of subsidiaries	(93,489)	—	—	—	(93,489)
Credited/(charged) to profit or loss	6,225	(237,052)	(21,213)	—	(252,040)
At 31 December 2013	(120,272)	(750,092)	(399,546)	—	(1,269,910)
At 1 January 2014	<b>(120,272)</b>	<b>(750,092)</b>	<b>(399,546)</b>	<b>—</b>	<b>(1,269,910)</b>
Charged to other comprehensive income	—	—	—	(488,079)	(488,079)
Credited/(Charged) to profit or loss	<b>21,002</b>	<b>(337,085)</b>	<b>(43,895)</b>	<b>(470,009)</b>	<b>(829,987)</b>
At 31 December 2014	<b>(99,270)</b>	<b>(1,087,177)</b>	<b>(443,441)</b>	<b>(958,088)</b>	<b>(2,587,976)</b>

Note:

As at 31 December 2014, the retained earnings of the Group's PRC subsidiaries not yet remitted to holding companies incorporated outside PRC, for which no deferred income tax liability had been provided, were approximately RMB27,465,467,000 (2013: RMB17,266,308,000). Such earnings are expected to be retained by the PRC subsidiaries for reinvestment purposes and would not be remitted to a foreign investor in the foreseeable future based on management's estimation of overseas funding requirements.

**28 OTHER INCOME AND GAINS – NET**

	2014 RMB'000	2013 RMB'000 Restated
Refund of land usage tax and other government grants	<b>68,470</b>	3,914
Gain on disposal of properties under development	<b>43,300</b>	—
Forfeiture of advances received from customers	<b>16,330</b>	15,324
Loss on disposals of property, plant and equipment	<b>(1,143)</b>	(539)
Dividend income from available-for-sale financial assets	<b>6,100</b>	—
Others	<b>52,939</b>	2,781
	<b>185,996</b>	21,480

## 29 EXPENSES BY NATURE

	2014	2013
	RMB'000	RMB'000
Auditor's remuneration	6,900	6,900
Advertising costs	1,539,647	1,915,429
Amortisation of intangible assets (note 8)	6,272	16,931
Business taxes and other levies (note below)	5,383,350	4,004,793
Costs of completed properties sold	56,060,584	38,994,824
Donations	264,543	125,966
Depreciation (notes 6 and 7)	722,531	446,457
Employee benefit expenses (note 30)	4,466,080	3,243,706
Land use rights amortisation (note 9)	60,509	56,918
Rental expenses	150,255	132,325
Impairment loss on completed properties held for sale	147,284	—
Others	1,201,915	1,106,107
<b>Total cost of sales, selling and marketing costs and administrative expenses</b>	<b>70,009,870</b>	<b>50,050,356</b>

Note:

The PRC subsidiaries of the Group are subject to business taxes on their revenues at the following rates:

Category	Rate
Sale of properties	5%
Property construction, fitting and decoration	3%
Property investment	5%
Property management	5%
Hotel service	5%

### 30 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS)

	2014 RMB'000	2013 RMB'000
Wages and salaries	11,654,743	6,194,189
Contributions to pension plans (note a)	79,337	42,111
Staff welfare	181,347	96,257
Medical benefits	158,678	84,225
Share-based compensation expenses	38,168	15,167
Other allowances and benefits	45,335	24,063
	<b>12,157,608</b>	6,456,012
Less: captured in properties under development	<b>(7,691,528)</b>	(3,212,306)
	<b>4,466,080</b>	3,243,706

#### (a) Contributions to Pension Plans

Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated and operated by the local municipal governments. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by local municipal governments to the scheme to fund the retirement benefits of the employees.

### 30 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS) (Continued)

#### (b) Directors' and Chief Executive's Emoluments

The remuneration of every director and chief executive for the year ended 31 December 2014 is set out below:

Name of director	Fees RMB'000	Salary RMB'000	Discretionary bonuses RMB'000	Share-based compensation expenses RMB'000	Employer's contribution to pension scheme RMB'000	Total RMB'000
Mr. YEUNG Kwok Keung	–	10,000	–	–	11	10,011
Ms. YANG Huiyan	–	6,000	–	–	36	6,036
Mr. MO Bin**	–	6,000	–	–	49	6,049
Mr. ZHU Rongbin	–	5,500	–	–	33	5,533
Mr. WU Jianbin (appointed on 1 April 2014)	–	3,767	–	–	185	3,952
Ms. Yang Ziying	–	4,000	–	–	26	4,026
Mr. YANG Erzhu	–	4,000	–	–	26	4,026
Mr. SU Rubo	–	4,000	–	–	35	4,035
Mr. OU Xueming	–	4,000	–	729	26	4,755
Mr. YANG Zhicheng	–	4,000	1,983	1,141	10	7,134
Mr. Yang Yongchao (resigned on 19 August 2014)	–	2,532	–	–	38	2,570
Mr. XIE Shutai	–	4,000	3,489	–	38	7,527
Mr. Song Jun	–	4,000	21,440	–	68	25,508
Mr. LIANG Guokun	–	4,000	–	–	32	4,032
Mr. SU Baiyuan	–	4,000	86	–	7	4,093
Mr. LAI Ming, Joseph*	330	–	–	–	–	330
Mr. SHEK Lai Him, Abraham*	330	–	–	–	–	330
Mr. TONG Wui Tung, Ronald*	330	–	–	–	–	330
Mr. Huang Hongyan*	240	–	–	–	–	240
Ms. Huang Xiao*	240	–	–	–	–	240
Mr. Liu Hongyu*	240	–	–	–	–	240
Mr. Mei Wenjue*	240	–	–	–	–	240
Mr. Yeung Kwork On* (appointed on 1 April 2014)	180	–	–	–	–	180
	2,130	69,799	26,998	1,870	620	101,417

\* Independent non-executive directors.

\*\* Chief executive of the Company.

### 30 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS) (Continued)

#### (b) Directors' and Chief Executive's Emoluments (Continued)

The remuneration of every director and chief executive of the Company for the year ended 31 December 2013 is set out as below:

Name of director	Fees RMB'000	Salary RMB'000	Discretionary bonuses RMB'000	Share-based compensation expenses RMB'000	Employer's contribution to pension scheme RMB'000	Total RMB'000
Mr. YEUNG Kwok Keung	—	3,500	—	—	13	3,513
Ms. YANG Huiyan	—	1,700	—	—	33	1,733
Mr. MO Bin**	—	2,500	—	—	45	2,545
Mr. ZHU Rongbin (appointed on 29 May 2013)	—	1,400	—	—	17	1,417
Ms. Yang Ziyang	—	1,300	—	—	24	1,324
Mr. YANG Erzhu	—	2,000	—	—	24	2,024
Mr. SU Rubo	—	2,000	—	—	37	2,037
Mr. OU Xueming	—	1,800	165	729	24	2,718
Mr. YANG Zhicheng	—	1,700	—	1,141	9	2,850
Mr. Yang Yongchao (resigned on 19 August 2014)	—	1,900	—	—	54	1,954
Mr. XIE Shutai (appointed on 29 May 2013)	—	992	2,673	—	37	3,702
Mr. Song Jun (appointed on 29 May 2013)	—	992	2,526	—	37	3,555
Mr. LIANG Guokun (appointed on 29 May 2013)	—	992	3,213	—	18	4,223
Mr. SU Baiyuan (appointed on 13 December 2013)	—	167	—	—	—	167
Mr. LAI Ming, Joseph*	318	—	—	—	—	318
Mr. SHEK Lai Him, Abraham*	318	—	—	—	—	318
Mr. TONG Wui Tung, Ronald*	318	—	—	—	—	318
Mr. Huang Hongyan*	215	—	—	—	—	215
Ms. Huang Xiao*	215	—	—	—	—	215
Mr. Liu Hongyu* (appointed on 13 December 2013)	140	—	—	—	—	140
Mr. Mei Wenjue* (appointed on 13 December 2013)	140	—	—	—	—	140
	1,664	22,943	8,577	1,870	372	35,426

\* Independent non-executive directors.

\*\* Chief executive of the Company.

### 30 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS) (Continued)

#### (b) Directors' and Chief Executive's Emoluments (Continued)

During 2014 and 2013, no directors received any emoluments from the Group as an inducement to join or leave the Group or compensation for loss of office; no directors waived or have agreed to waive any emoluments.

#### (c) Five Highest Paid Individuals

The five individuals whose emoluments were the highest in the Group for the year including three (2013: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2013: two) individuals during the year are as follows:

	2014 RMB'000	2013 RMB'000
Salaries and other benefits	9,167	9,149
Bonuses	7,510	—
Contributions to pension plans	42	419
	<b>16,719</b>	<b>9,568</b>

The emoluments fell within the following bands:

	Number of individuals	
	2014	2013
HKD5,000,001 to HKD5,500,000	—	1
HKD6,500,001 to HKD7,000,000	—	1
HKD9,500,001 to HKD10,000,000	1	—
HKD11,000,001 to HKD11,500,000	1	—

**31 FINANCE (COSTS)/INCOME – NET**

	2014 RMB'000	2013 RMB'000
Finance income:		
– Interest income on short-term bank deposits	254,747	290,708
– Net foreign exchange gains on financing activities	—	512,541
	254,747	803,249
Finance cost:		
– Interest expenses:		
– Senior notes wholly repayable within 5 years	(1,604,795)	(1,590,347)
– Senior notes wholly repayable after 5 years	(639,837)	(424,942)
– Convertible bond wholly repayable within 5 years	—	(13,297)
– Bank and other borrowings wholly repayable within 5 years	(2,510,640)	(2,005,232)
– Bank and other borrowings wholly repayable after 5 years	(124,172)	(85,655)
	(4,879,444)	(4,119,473)
Less: capitalised in qualifying assets	4,879,444	4,119,473
– Net foreign exchange losses on financing activities	(260,836)	—
– Loss on early redemption of senior notes (note 21)	(189,493)	—
Net finance costs	(450,329)	—
Finance (costs)/income – net	(195,582)	803,249

**32 INCOME TAX EXPENSES**

	2014 RMB'000	2013 RMB'000
Current income tax		
– PRC corporate income tax	4,252,464	3,089,030
– Land appreciation tax (note (c))	1,644,863	1,634,798
	5,897,327	4,723,828
Deferred income tax (note 27)		
– PRC corporate income tax	(183,997)	(119,868)
– Withholding income tax on profit to be distributed in future (note (d))	43,895	21,213
	(140,102)	(98,655)
	5,757,225	4,625,173



### 32 INCOME TAX EXPENSES (Continued)

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the group companies as follows:

	2014 RMB'000	2013 RMB'000
Profit before income tax	16,369,125	13,473,153
Tax calculated at PRC corporate income tax rate of 25% (2013: 25%)	4,092,281	3,368,288
Land appreciation tax deductible for calculation of income tax purpose	(411,216)	(408,700)
Utilisation of tax losses not recognised as deferred income tax assets	(1,674)	(8,750)
Income not subject to tax	(5,574)	(138,789)
Expenses not deductible for tax	394,650	157,113
	4,068,467	2,969,162
Withholding income tax on profit to be distributed in future (note (d))	43,895	21,213
Land appreciation tax	1,644,863	1,634,798
Income tax expenses	5,757,225	4,625,173

Notes:

- (a) Hong Kong profits tax has been provided at the rate of 16.5% (2013:16.5%) on the estimated assessable profits of the Group's subsidiaries in Hong Kong.
- (b) PRC corporate income tax has been provided at corporate income tax rate of 25%.
- (c) PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property development expenditures.
- (d) Withholding income tax is provided on the dividends to be distributed by the PRC subsidiaries of the Group. The relevant overseas holding companies have successfully obtained endorsement from various PRC tax bureaus to enjoy the treaty benefit of 5% withholding income tax rate on dividends received from the PRC subsidiaries of the Group. Accordingly, withholding income tax has been provided at 5% of the dividends to be distributed by the PRC subsidiaries of the Group.

### 33 DIVIDENDS

	2014 RMB'000	2013 RMB'000
Proposed final dividend of RMB14.75 cents per share (2013: RMB16.83 cents) (note)	3,001,893	3,105,759

The 2013 final dividend was satisfied in the form of shares or cash dividend as a result of the scrip dividend scheme (note 23(a)). As a result of the above scrip dividend scheme, 622,296,869 new shares were issued at a price of HKD3.22 per share in July 2014 for totalling RMB1,591,601,000, and dividends totaling RMB1,507,210,000 (RMB16.83 cents per ordinary share) were paid in cash in July 2014.

**33 DIVIDENDS (Continued)**

The directors recommend the payment of a 2014 final dividend of RMB14.75 cents per share, totalling RMB3,001,893,000. Such dividend is to be approved by the shareholders at the forthcoming annual general meeting. These financial statements do not reflect this dividend payable.

**34 CASH GENERATED FROM OPERATIONS**

	2014 RMB'000	2013 RMB'000
Profit for the year	10,611,900	8,847,980
Adjustments for:		
Income tax expenses (note 32)	5,757,225	4,625,173
Interest income (note 31)	(254,747)	(290,708)
Loss on early redemption of senior notes (note 31)	189,493	—
Net foreign exchange losses/(gains) (note 31)	260,836	(512,541)
Depreciation (notes 6 and 7)	722,531	516,920
Amortisation of land use rights (note 9)	60,509	56,918
Amortisation of intangible assets (note 8)	6,272	16,931
Impairment loss on completed properties held for sale (note 29)	147,284	—
Loss on disposals of property, plant and equipment (note 28)	1,143	539
Share of results of associates and a joint venture (notes 11 and 12)	40,258	25,949
Gains arising from changes in fair value of and transfer to investment properties (note 7)	(1,880,036)	—
Share-based compensation expense (note 30)	38,168	15,167
Dividend income from available-for-sale financial assets (note 28)	(6,100)	—
	15,694,736	13,302,328
Changes in working capital (excluding the effects of acquisition of subsidiaries and currency exchange differences on consolidation):		
Property under development and completed properties held for sale	(48,005,703)	(40,195,415)
Inventories	(1,522,280)	(225,349)
Restricted cash	(683,620)	(2,718,935)
Trade and other receivables	985,042	(8,554,589)
Prepaid taxes	(1,611,398)	(1,258,275)
Trade and other payables	13,312,089	12,408,336
Advanced proceeds received from customers	28,374,539	30,064,307
Cash generated from operations	6,543,405	2,822,408

### 34 CASH GENERATED FROM OPERATIONS (Continued)

In the consolidated cash flow statement, proceeds from disposal of property, plant and equipment comprise:

	2014	2013
	RMB'000	RMB'000
Net book amount (note 6)	176,054	28,186
Losses on disposals (note 28)	(1,143)	(539)
Proceeds	174,911	27,647

### Non-Cash Transactions

The principal non-cash transactions in 2014 and 2013 represented the issue of shares to satisfy dividend pursuant to the scrip dividend scheme as disclosed in note 23.

### 35 PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The profit attributable to owners of the Company is dealt with in the financial statements of the Company to the extent of RMB3,339,282,000 (2013: RMB2,815,341,000).

### 36 EARNINGS PER SHARE

#### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares (note 23).

	2014	2013
		Restated
Profit attributable to owners of the Company (RMB'000)	10,229,159	8,514,104
Weighted average number of ordinary shares in issue (thousands)	19,138,531	18,522,543
Earnings per share — Basic (RMB cents per share)	53.45	45.97

### 36 EARNINGS PER SHARE (Continued)

#### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company had two categories of dilutive potential ordinary shares: convertible bond and share options. The convertible bond was assumed to have been converted into ordinary shares, and the net profit was adjusted to eliminate the interest expenses charged to profit or loss. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2014	2013 Restated
Profit attributable to owners of the Company (RMB'000)	10,229,159	8,514,104
Weighted average number of ordinary shares in issue (thousands)	19,138,531	18,522,543
Adjustments — conversion of the convertible bond (thousands)	—	13,591
Adjustments — share options (thousands)	902	581
Weighted average number of ordinary shares for diluted earnings per share (thousands)	19,139,433	18,536,715
Earnings per share — Diluted (RMB cents per share)	53.45	45.93

Basic and diluted earnings per share for the year ended 31 December 2013 was restated as a result of the Rights Issue in October 2014 (note 23(b)).

### 37 CONTINGENCIES

The Group had the following contingent liabilities:

	2014 RMB'000	2013 RMB'000
Guarantees in respect of mortgage facilities for certain purchasers (note (a))	49,375,895	31,443,651
Guarantee to an associate and a joint venture in respect of borrowings (note (b))	2,298,980	1,184,209
	51,674,875	32,627,860

## 37 CONTINGENCIES (Continued)

Note:

- (a) It represented the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. As at 31 December 2014, the amount of RMB113,392,000 (2013: RMB85,087,000) was to be discharged two years from the day the mortgaged loans become due; and RMB49,262,503,000 (2013: RMB31,358,564,000) was to be discharged upon the earlier of (i) issuance of the real estate ownership certificate which are generally available within three months after the purchasers take possession of the relevant properties; and (ii) the satisfaction of mortgaged loans by the purchasers of properties.

The directors consider that in case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty (see note 4(b)) and therefore no provision has been made in the financial statements for the guarantees.

- (b) This represents the maximum exposure of the guarantees provided for Li He and Zhongshan Yahong Property Development Company Limited (中山市雅鴻房地產開發有限公司, "Zhongshan Yahong") for their borrowings.

## 38 COMMITMENTS – GROUP

### (a) Commitments for Capital and Property Development Expenditures

	2014 RMB'000	2013 RMB'000
Contracted but not provided for:		
– Property, plant and equipment	5,928	9,131
– Property development expenditure (including land premium)	72,646,326	49,047,432
	<b>72,652,254</b>	<b>49,056,563</b>

### (b) Operating Lease Commitments

The lease terms are between 1 and 10 years, and the majority of lease agreements are renewable at the end of the lease period at market rate. The future aggregate minimum lease payments under non-cancellable operating leases in respect of buildings are as follows:

	2014 RMB'000	2013 RMB'000
Not later than one year	15,568	22,640
Later than one year and not later than five years	34,326	20,046
Later than five years	1,749	21,516
	<b>51,643</b>	<b>64,202</b>

### 38 COMMITMENTS – GROUP (Continued)

#### (c) Operating Lease Rentals Receivable

The lease terms are between 1 and 10 years, and the majority of lease agreements are renewable at the end of the lease period at market rate. The future aggregate minimum lease rentals receivable under non-cancellable operating leases in respect of buildings are as follows:

	2014 RMB'000	2013 RMB'000
Not later than one year	82,839	70,907
Later than one year and not later than five years	346,069	290,463
Later than five years	314,948	52,456
	<b>743,856</b>	413,826

### 39 RELATED PARTY TRANSACTIONS

#### (a) Name and Relationship with Related Parties

##### Ultimate controlling shareholders

Mr. YANG Erzhu, Ms. YANG Huiyan, Mr. SU Rubo and Mr. OU Xueming.

##### Controlled by ultimate controlling shareholders

Guangdong Elite Architectural Co., Ltd.	廣東博意建築設計院有限公司
Qingyuan Country Garden Property Development Co., Ltd. ("Qingyuan Country Garden")	清遠碧桂園物業發展有限公司

##### Controlled by ultimate controlling shareholders and their close family members

Foshan Shunde Jiangkou Water Plant Co., Ltd.	佛山市順德區江口自來水有限公司
Zengcheng Crystal Water Plant Co., Ltd.	增城市清源自來水廠有限公司
Guangdong Grand Pipe Pile Co., Ltd. ("Grand Pipe")	廣東鴻業管樁有限公司
Guangdong Shenghui Electronics Holdings Limited ("Shenghui Electronics")*	廣東昇輝電子控股有限公司
Wanfang Construction Co., Ltd ("Wanfang Construction")**	廣東萬方工程有限公司
Wanfang Stone Co., Ltd ("Wanfang Stone")**	廣東萬方石業有限公司
Foshan Shunde Yayu Property Development Co., Ltd.	佛山市順德區雅宇房產開發有限公司

## 39 RELATED PARTY TRANSACTIONS (Continued)

### (a) Name and Relationship with Related Parties (Continued)

#### Associate

Li He 廣州利合房地產開發有限公司

#### Joint venture

Zhongshan Yahong 中山市雅鴻房地產開發有限公司

\* Shenghui Electronics has ceased to be a related party to the Group since November 2013 after the change in its controlling shareholders.

\*\* Wanfang Construction and Wanfang Stone have ceased to be related parties to the Group since October 2014 after the change in their controlling shareholders.

The English names of certain of the companies referred to above in this note represent management's best efforts at translating the Chinese names of these companies as no English names have been registered or available.

### (b) Transactions with Related Parties

Saved as disclosed in other notes above, the Group had the following significant transactions with related parties during the year:

	2014 RMB'000	2013 RMB'000
<b>(i) Construction and decoration service income:</b>		
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	209,917	253,107
<b>(ii) Purchase of design service:</b>		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	1,126,836	638,913

**39 RELATED PARTY TRANSACTIONS (Continued)****(b) Transactions with Related Parties (Continued)**

	2014 RMB'000	2013 RMB'000
<b>(iii) Purchases of construction service and construction materials and water:</b>		
廣東萬方工程有限公司 Wanfang Construction	241,614	181,355
佛山市順德區江口自來水有限公司 Foshan Shunde Jiangkou Water Plant Co., Ltd.	1,054	3,486
增城市清源自來水廠有限公司 Zengcheng Crystal Water Plant Co., Ltd.	7,051	6,298
廣東鴻業管樁有限公司 Grand Pipe	8,312	8,664
廣東昇輝電子控股有限公司 Shenghui Electronics	—	271,434
廣東萬方石業有限公司 Wanfang Stone	159,154	46,166
	<b>417,185</b>	<b>517,403</b>

The prices for the above service fees and purchases of construction materials and water were determined in accordance with the terms of the underlying agreements.

	2014 RMB'000	2013 RMB'000
<b>(iv) Providing guarantee in respect of borrowings:</b>		
廣州利合房地產開發有限公司 Li He (note 37)	2,233,980	1,086,689
中山市雅鴻房地產開發有限公司 Zhongshan Yahong (note 37)	65,000	97,520
	<b>2,298,980</b>	<b>1,184,209</b>



### 39 RELATED PARTY TRANSACTIONS (Continued)

#### (c) Key Management Compensation

	2014 RMB'000	2013 RMB'000
Salaries and other short-term employee benefits	71,929	35,410
Bonus	26,998	—
Retirement scheme contributions	620	759
Share-based compensation expenses	1,870	1,870
	<b>101,417</b>	<b>38,039</b>

#### (d) Balances with Related Parties

As at 31 December 2014 and 2013, the Group had the following significant balances with related parties:

	2014 RMB'000	2013 RMB'000
<b>(i) Balances due from related parties</b>		
— included in amounts due from customers for contract work:		
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	908,173	700,197
— included in other receivables and prepayments:		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	360,894	516,307
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	315,323	64,061
廣州利合房地產開發有限公司 Li He	2,039,745	2,039,745
中山市雅鴻房地產開發有限公司 Zhongshan Yahong	304,612	304,612
	<b>3,020,574</b>	<b>2,924,725</b>

**39 RELATED PARTY TRANSACTIONS (Continued)****(d) Balances with Related Parties (Continued)**

	2014 RMB'000	2013 RMB'000
<b>(ii) Balances due to related parties</b>		
<b>— included in trade and other payables:</b>		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	1,038,237	235,463
增城市清源自來水廠有限公司 Zengcheng Crystal Water Plant Co., Ltd.	5,180	958
廣東鴻業管樁有限公司 Grand Pipe	392	392
廣東萬方石業有限公司 Wanfang Stone	50,835	6,182
廣東萬方工程有限公司 Wanfang Construction	14,586	92,829
	<b>1,109,230</b>	<b>335,824</b>

Balances due from/to related parties are unsecured, interest-free and to be settled according to the contract terms.

**40 SUBSEQUENT EVENTS**

On 9 March 2015, the Company issued senior notes in an aggregate principal amount of USD900,000,000 (the “2020 Notes”). The 2020 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2020 Notes carry interest at the rate of 7.5% per annum, payable semi-annually on 9 March and 9 September in arrears, and will mature on 9 March 2020, unless redeemed earlier.

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES

The following is a list of principal subsidiaries at 31 December 2014, all of these are limited liability companies:

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Directly held by the Company:</b>					
<b>Incorporated in the BVI and operates in the PRC:</b>					
Smart World Development Holdings Ltd	28 March 2006	USD300	100%	—	Investment holding
<b>Indirectly held by the Company:</b>					
<b>Incorporated in Hong Kong and operates in Hong Kong:</b>					
Country Garden (Hong Kong) Development Company Limited	21 September 2005	HKD1	100%	—	Investment holding
<b>Incorporated in the BVI and operate in Hong Kong:</b>					
Estonia Development Ltd	21 March 2006	USD 200	100%	—	Investment holding and rendering of property related sales services.
Angel View International Limited	7 April 2006	USD 200	100%	—	Investment holding and rendering of property related sales services.
<b>Incorporated in the BVI and operate in the PRC:</b>					
Falcon Investments Development Ltd	21 March 2006	USD300	100%	—	Investment holding
United Gain Group Ltd	28 March 2006	USD200	100%	—	Investment holding
Wise Fame Group Ltd	28 March 2006	USD300	100%	—	Investment holding
Boavista Investments Limited	7 April 2006	USD200	100%	—	Investment holding
Impreza Group Limited	7 April 2006	USD300	100%	—	Investment holding
Infiniti Holdings Development Limited	7 April 2006	USD300	100%	—	Investment holding
Bright Start Group Limited	19 July 2011	USD1	100%	—	Investment holding
Pure Smart Enterprises Limited	19 July 2011	USD1	100%	—	Investment holding
Top Favor Holding Limited	19 July 2011	USD1	100%	—	Investment holding
Golden Favor Investments Limited	19 July 2011	USD1	100%	—	Investment holding
Power Great Enterprises Limited	10 December 2007	USD1	100%	—	Investment holding
Great Favor Investments Limited	16 July 2013	USD1	100%	—	Investment holding
Silver Dawn Holding Limited	23 January 2014	USD1	100%	—	Investment holding

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
Guangdong Giant Leap Construction Co., Ltd. ("Giant Leap Construction Co.") 廣東騰越建築工程有限公司	25 March 1997	RMB900,000,000	100%	—	Construction
Foshan Shunde Country Garden Property Development Co., Ltd. 佛山市順德區碧桂園物業發展有限公司	2 April 1997	RMB1,387,500,000	100%	—	Property development
Guangzhou Country Garden Property Development Co., Ltd. 廣州碧桂園物業發展有限公司	30 July 1998	RMB506,000,000	100%	—	Property development
Foshan Shunde Finest Decoration & Design Enterprise 佛山市順德區雅駿裝飾設計工程有限公司	9 August 1999	RMB300,000,000	100%	—	Decoration and design
Zengcheng Country Garden Property Development Co., Ltd. 增城市碧桂園物業發展有限公司	22 September 2000	RMB1,448,200,000	100%	—	Property development
Guangzhou Nansha Economic and Technological Development Zone Country Garden Property Development Co., Ltd. 廣州南沙經濟技術開發區碧桂園物業發展有限公司	2 August 2001	RMB1,764,473,626	100%	—	Property development
Guangzhou Huadou Country Garden Property Development Co., Ltd. 廣州市花都碧桂園物業發展有限公司	24 January 2002	RMB462,500,000	100%	—	Property development
Heshan Country Garden Property Development Co., Ltd. 鶴山市碧桂園物業發展有限公司	9 July 2003	RMB963,000,000	100%	—	Property development
Changsha Venice Palace Property Development Co., Ltd. 長沙威尼斯城房地產開發有限公司	1 August 2003	RMB233,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Jiangmen East Coast Country Garden Property Development Co., Ltd. 江門市東岸房地產發展有限公司	13 August 2003	RMB650,000,000	100%	—	Property development
Jiangmen Xinhui Country Garden Phoenix Hotel Co., Ltd 江門新會碧桂園鳳凰酒店有限公司	13 August 2003	RMB130,100,000	100%	—	Hotel operation
Jiangmen Wuyi Country Garden Property Development Co., Ltd. 江門市五邑碧桂園房地產開發有限公司	28 September 2003	RMB863,000,000	100%	—	Property development
Heshan Country Garden Phoenix City Hotel Co., Ltd. 鶴山市碧桂園鳳凰酒店有限公司	29 September 2003	RMB116,300,000	100%	—	Hotel operation
Foshan Gaoming Country Garden Property Development Co., Ltd. 佛山市高明區碧桂園房地產開發有限公司	13 January 2004	RMB1,162,500,000	100%	—	Property development
Zengcheng Country Garden Phoenix City Hotel Co., Ltd. 增城市碧桂園鳳凰酒店有限公司	13 January 2004	RMB500,700,000	100%	—	Hotel operation
Shenyang Hua Rui Real Estate Co., Ltd. 瀋陽華銳置業有限公司	25 March 2004	RMB580,000,000	100%	—	Property development
Qingyuan Country Garden Holiday Islands Hotel Co., Ltd. 清遠市碧桂園假日半島酒店有限公司	5 April 2004	RMB131,300,000	100%	—	Hotel operation
Changsha Economic and Technological Development Area Venice Palace Hotel Co., Ltd. 長沙經濟技術開發區威尼斯酒店有限公司	6 December 2004	RMB110,800,000	100%	—	Hotel operation
Foshan Nanhai Country Garden Property Development Co., Ltd. 佛山市南海區碧桂園房地產開發有限公司	24 December 2004	RMB365,200,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Jiangmen Wuyi Country Garden Phoenix Hotel Co., Ltd. 江門市五邑碧桂園鳳凰酒店有限公司	14 January 2005	RMB103,800,000	100%	—	Hotel operation
Yangjiang Country Garden Phoenix Hotel Co., Ltd. 陽江市碧桂園鳳凰酒店有限公司	2 February 2005	RMB130,750,624	100%	—	Hotel operation
Yangdong Country Garden Property Development Co., Ltd. 陽東縣碧桂園房地產開發有限公司	2 February 2005	RMB197,351,958	100%	—	Property development
Taishan Country Garden Property Development Co., Ltd. 台山市碧桂園房地產開發有限公司	21 March 2005	RMB322,228,631	100%	—	Property development
Foshan Gaoming Country Garden Phoenix Hotel Co., Ltd. 佛山市高明區碧桂園鳳凰酒店有限公司	30 September 2005	RMB163,100,000	100%	—	Hotel operation
Shaoguan Shunhong Property Development Co., Ltd. 韶關市順宏房地產開發有限公司	12 July 2006	RMB747,800,000	100%	—	Property development
Manzhouli Country Garden Property Development Co., Ltd. 滿洲里碧桂園房地產開發有限公司	12 December 2006	RMB357,900,000	100%	—	Property development
Chaohu Country Garden Property Development Co., Ltd. 巢湖市碧桂園房地產開發有限公司	18 December 2006	RMB1,115,200,000	100%	—	Property development
Taizhou Country Garden Property Development Co., Ltd. 泰州市碧桂園房地產開發有限公司	5 January 2007	RMB548,300,000	100%	—	Property development
Shenyang Country Garden Property Development Co., Ltd. 瀋陽市碧桂園房地產開發有限公司	11 January 2007	RMB1,350,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Lechang Country Garden Property Development Co., Ltd. 樂昌市碧桂園房地產開發有限公司	15 February 2007	RMB124,800,000	100%	—	Property development
Shenyang Hunnan Xincheng Country Garden Property Development Co., Ltd. 瀋陽渾南新城碧桂園房地產開發有限公司	25 April 2007	RMB1,540,000,000	100%	—	Property development
Shenyang Yidong Real Estate Co., Ltd. 瀋陽伊東置業有限公司	25 April 2007	RMB460,512,978	100%	—	Property development
Enping Country Garden Property Development Co., Ltd. 恩平市碧桂園房地產開發有限公司	28 April 2007	RMB220,000,000	100%	—	Property development
Zhangjiajie Country Garden Property Development Co., Ltd. 張家界碧桂園置業有限公司	8 May 2007	RMB330,000,000	100%	—	Property development
Anhui Hexian Country Garden Property Development Co., Ltd. 安徽和縣碧桂園房地產開發有限公司	15 May 2007	RMB750,000,000	100%	—	Property development
Anhui Hexian Huarui Real Estate Co., Ltd. 安徽和縣華瑞置業有限公司	15 May 2007	RMB218,842,923	100%	—	Property development
Shenyang Shenbei Xincheng Yidong Real Estate Co., Ltd. 瀋陽瀋北新城伊東置業有限公司	18 May 2007	RMB750,000,000	100%	—	Property development
Tianjin Xinbi Investment Development Co., Ltd. 天津新碧投資發展有限公司	25 May 2007	RMB460,000,000	100%	—	Investment holding
Shaoguan Country Garden Property Development Co., Ltd. 韶關市碧桂園房地產開發有限公司	5 June 2007	RMB750,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Changsha Ningxiang Country Garden Property Development Co., Ltd. 長沙市寧鄉碧桂園房地產開發有限公司	5 June 2007	RMB230,000,000	100%	—	Property development
Anhui Zhongmiao Country Garden Property Development Co., Ltd. 安徽中廟碧桂園房地產開發有限公司	8 June 2007	RMB420,000,000	100%	—	Property development
Anhui Hexian Country Garden Phoenix Hotel Co., Ltd 安徽和縣碧桂園鳳凰酒店有限公司	8 June 2007	RMB200,000,000	100%	—	Hotel operation
Shanwei Country Garden Property Development Co., Ltd. 汕尾市碧桂園房地產開發有限公司	12 June 2007	RMB100,000,000	100%	—	Property development
Zhaoqing Sihui Huaping Real Estate Co., Ltd 肇慶四會華平置業有限公司	21 June 2007	RMB216,167,341	100%	—	Property development
Sihui Country Garden Property Development Co., Ltd. 四會市碧桂園房地產開發有限公司	22 June 2007	RMB320,000,000	100%	—	Property development
Keyou Qianqi Country Garden Property Development Co., Ltd. 科右前旗碧桂園房地產開發有限公司	29 July 2007	RMB180,000,000	100%	—	Property development
Chizhou Country Garden Property Development Co., Ltd. 池州市碧桂園房地產開發有限公司	30 July 2007	RMB251,000,000	100%	—	Property development
Chongqing Country Garden Property Development Co., Ltd. 重慶市碧桂園房地產開發有限公司	3 August 2007	RMB310,000,000	100%	—	Property development
Chongqing Country Garden Phoenix Hotel Co., Ltd 重慶市碧桂園鳳城酒店有限公司	3 August 2007	RMB100,000,000	100%	—	Hotel operation



## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Xianning Country Garden Property Development Co., Ltd. 咸寧碧桂園房地產開發有限公司	8 August 2007	RMB250,000,000	100%	—	Property development
Yiyang Country Garden Property Development Co., Ltd. 益陽市碧桂園房地產開發有限公司	10 August 2007	RMB150,000,000	100%	—	Property development
Haicheng Country Garden Property Development Co., Ltd. 海城市碧桂園房地產開發有限公司	30 August 2007	RMB350,000,000	100%	—	Property development
Lufeng Country Garden Property Development Co., Ltd. 陸豐碧桂園房地產開發有限公司	30 August 2007	RMB100,000,000	100%	—	Property development
Maoming Country Garden Property Development Co., Ltd. 茂名市碧桂園房地產開發有限公司	31 August 2007	RMB350,000,000	100%	—	Property development
Suizhou Country Garden Property Development Co., Ltd. 隨州碧桂園房地產開發有限公司	31 August 2007	RMB580,000,000	100%	—	Property development
Yangshan Country Garden Property Development Co., Ltd. 陽山碧桂園房地產開發有限公司	5 September 2007	RMB130,000,000	100%	—	Property development
Anqing Country Garden Property Development Co., Ltd. 安慶碧桂園房地產開發有限公司	27 September 2007	RMB740,000,000	100%	—	Property development
Anqing Country Garden Phoenix Hotel Co., Ltd 安慶碧桂園鳳凰酒店有限公司	29 September 2007	RMB150,000,000	100%	—	Hotel operation
Huangshan Country Garden Property Development Co., Ltd. 黃山碧桂園房地產開發有限公司	30 September 2007	RMB180,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Shenyang Huiying Real Estate Co., Ltd 瀋陽匯盈置業有限公司	9 October 2007	RMB358,416,054	100%	—	Property development
Shenyang Dedi Real Estate Co., Ltd 瀋陽德地置業有限公司	9 October 2007	RMB369,851,683	100%	—	Property development
Tongliao Country Garden Property Development Co., Ltd. 通遼碧桂園房地產開發有限公司	15 October 2007	RMB500,000,000	100%	—	Property development
Wuhu Country Garden Property Development Co., Ltd. 蕪湖晉智房地產開發有限公司	5 November 2007	RMB800,000,000	100%	—	Property development
Liuyang Country Garden Property Development Co., Ltd. 瀏陽碧桂園房地產開發有限公司	4 December 2007	RMB168,000,000	100%	—	Property development
Zhaoqing Country Garden Furniture Co., Ltd 肇慶市碧桂園現代家居有限公司	12 December 2007	RMB210,376,103	100%	—	Manufacturing of furniture
Huidong Country Garden Property Development Co., Ltd. 惠東碧桂園房地產開發有限公司	23 January 2008	RMB450,000,000	100%	—	Property development
Suihua Country Garden Property Development Co., Ltd. 綏化碧桂園房地產開發有限公司	17 July 2008	RMB100,000,000	100%	—	Property development
Jingmen Country Garden Property Development Co., Ltd. 荊門碧桂園房地產開發有限公司	10 September 2008	RMB130,000,000	100%	—	Property development
Tianjin Balizhou Country Garden Property Development Co., Ltd. 天津八里洲碧桂園房地產開發有限公司	25 September 2008	RMB183,000,000	100%	—	Property development
Qingyuan Zhuoyue Hongjian Real Estate Investment Co., Ltd 清遠市卓越弘建置業投資有限公司	27 October 2009	RMB130,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Shenyang Giant Leap Construction Co., Ltd 瀋陽騰越建築工程有限公司	10 December 2009	RMB130,000,000	100%	—	Construction
Jiangmen Xinhui Country Garden Property Development Co., Ltd 江門市新會區碧桂園房地產開發有限公司	12 January 2010	RMB180,000,000	100%	—	Property development
Maoming Shuidongwan Country Garden Property Development Co., Ltd 茂名市水東灣碧桂園房地產開發有限公司	20 January 2010	RMB200,000,000	100%	—	Property development
Jiangmen Jianghai Country Garden Property Development Co., Ltd 江門市江海區碧桂園房地產開發有限公司	13 January 2010	RMB120,000,000	100%	—	Property development
Wuhan Country Garden Lianfa Investment Co., Ltd 武漢碧桂園聯發投資有限公司	21 January 2010	RMB200,000,000	52%	48%	Property development
Jurong Country Garden Property Development Co., Ltd 句容碧桂園房地產開發有限公司	12 August 2010	RMB3,138,861,637	100%	—	Property development
Chuzhou Country Garden Property Development Co., Ltd 滁州碧桂園房地產開發有限公司	17 August 2010	RMB250,000,000	100%	—	Property development
Haifeng Country Garden Property Development Co., Ltd 海豐碧桂園房地產開發有限公司	26 October 2010	RMB105,000,000	100%	—	Property development
Heshan Zhishan Country Garden Property Development Co., Ltd 鶴山市址山碧桂園房地產開發有限公司	23 November 2010	RMB250,000,000	80%	20%	Property development
Heyuan Country Garden Property Development Co., Ltd 河源市碧桂園房地產開發有限公司	7 December 2010	RMB300,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Dongguan Country Garden Property Development Co., Ltd. 東莞市碧桂園房地產開發有限公司	25 September 2010	RMB600,000,000	100%	—	Property development
Foshan Chancheng Country Garden Property Development Co., Ltd. 佛山市禪城區碧桂園房地產開發有限公司	13 November 2010	RMB1,000,000,000	90%	10%	Property development
Shenyang Qipanshan Country Garden Property Development Co., Ltd. 瀋陽市棋盤山碧桂園房地產開發有限公司	28 September 2010	RMB176,134,163	100%	—	Property development
Wuhan Eco-city Country Garden Investment Co., Ltd. 武漢生態城碧桂園投資有限公司	4 December 2010	RMB500,000,000	55%	45%	Property development
Laian Country Garden Property Development Co., Ltd. 來安碧桂園房地產開發有限公司	15 December 2010	RMB450,000,000	100%	—	Property development
Foshan Shunde Xinbi Trading Co., Ltd. 佛山市順德區新碧貿易有限公司	16 January 2010	RMB200,000,000	100%	—	Trading
Foshan Shunde Longjiang Country Garden Phoenix Hotel Co., Ltd. 佛山市順德區龍江鎮碧桂園鳳凰酒店有限公司	11 November 2010	RMB100,000,000	100%	—	Hotel operation
Qingyuan Holiday Islands Country Garden Property Development Co., Ltd. 清遠假日半島碧桂園置業發展有限公司	7 July 2010	RMB120,000,000	100%	—	Property development
Hubei Lianzhi Country Garden Zishanhu Property Development Co., Ltd. 湖北聯置碧桂園梓山湖房地產開發有限公司	29 December 2011	RMB500,000,000	51%	49%	Property development
Jiangmen Xinhui Daze Country Garden Property Development Co., Ltd. 江門市新會區大澤碧桂園房地產開發有限公司	2 December 2011	RMB310,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Hubei Liantou Country Garden Investment Co., Ltd. 湖北聯投碧桂園投資有限公司	23 November 2011	RMB141,630,000	51%	49%	Property development
Xiangtan Country Garden Property Development Co., Ltd. 湘潭碧桂園房地產開發有限公司	12 January 2011	RMB200,000,000	100%	—	Property development
Meizhou Country Garden Property Development Co., Ltd. 梅州市碧桂園房地產開發有限公司	4 January 2011	RMB200,000,000	100%	—	Property development
Qingyuan Country Garden Xinya Property Development Co., Ltd. 清遠碧桂園新亞房地產開發有限公司	25 January 2011	RMB300,000,000	100%	—	Property development
Wuxi Country Garden Property Development Co., Ltd. 無錫市碧桂園房地產開發有限公司	14 January 2011	RMB398,000,000	100%	—	Property development
Guangzhou Shilou Country Garden Property Development Co., Ltd. 廣州市石樓碧桂園物業發展有限公司	2 April 2011	RMB350,000,000	100%	—	Property development
Hangzhou Country Garden Property Development Co., Ltd. 杭州碧桂園房地產開發有限公司	1 April 2011	RMB862,576,465	100%	—	Property development
Dongguan Dexia Country Garden Property Development Co., Ltd. 東莞市德廈碧桂園房地產開發有限公司	13 April 2011	RMB250,000,000	100%	—	Property development
Kaiping Country Garden Property Development Co., Ltd. 開平市碧桂園房地產開發有限公司	9 June 2011	RMB300,000,000	100%	—	Property development
Chenzhou Country Garden Property Development Co., Ltd. 郴州碧桂園房地產開發有限公司	7 July 2011	RMB190,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Hainan Wenchang Country Garden Property Development Co., Ltd 海南文昌碧桂園房地產開發有限公司	17 January 1994	RMB100,000,000	100%	—	Property development
Zhangqiu Country Garden Phoenix Hotel Co., Ltd 章丘市碧桂園房地產開發有限公司	17 August 2011	RMB100,000,000	100%	—	Property development
Chongqing Qianjiang Country Garden Property Development Co., Ltd 重慶市黔江碧桂園房地產開發有限公司	9 May 2012	RMB180,000,000	100%	—	Property development
Jiaoling Country Garden Property Development Co., Ltd 蕉嶺碧桂園房地產開發有限公司	8 June 2012	RMB120,000,000	100%	—	Property development
Hainan Lingao Country Garden Fangyuan Property Development Co., Ltd 海南臨高碧桂園方園房地產開發有限公司	22 August 2012	RMB408,163,300	51%	49%	Property development
Rudong Country Garden Property Development Co., Ltd 如東碧桂園房地產開發有限公司	7 September 2012	RMB180,000,000	100%	—	Property development
Yixing Country Garden Property Development Co., Ltd 宜興市碧桂園房地產開發有限公司	25 September 2012	RMB315,265,000	100%	—	Property development
Danyang Country Garden Property Development Co., Ltd 丹陽碧桂園房地產開發有限公司	23 October 2012	RMB437,649,768	100%	—	Property development
Jingjiang Country Garden Property Development Co., Ltd 靖江市碧桂園房地產開發有限公司	30 January 2013	RMB100,000,000	100%	—	Property development
Xuancheng Country Garden Property Development Co., Ltd 宣城碧桂園房地產開發有限公司	30 January 2013	RMB150,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Rugao Country Garden Property Development Co., Ltd 如皋市碧桂園房地產開發有限公司	19 February 2013	RMB150,000,000	100%	—	Property development
Yongchun Country Garden Property Development Co., Ltd 永春碧桂園房地產開發有限公司	21 February 2013	RMB200,000,000	70%	30%	Property development
Lanzhou Country Garden Property Development Co., Ltd 蘭州碧桂園房地產開發有限公司	1 February 2013	RMB450,000,000	100%	—	Property development
Yunfu Xijiang new city Country Garden Property Development Co., Ltd 雲浮市西江新城碧桂園房地產開發有限公司	1 April 2013	RMB100,000,000	100%	—	Property development
Haiyang Honghui Property Development Co., Ltd 海陽鴻輝發展有限公司	19 March 2010	RMB107,700,000	90%	10%	Property development
Guangzhou Anhua logistics Co., Ltd 廣州安華物流有限公司	13 August 2003	RMB140,000,000	100%	—	Logistics
Heshan Gonghe Country Garden Property Development Co., Ltd 鶴山市共和碧桂園房地產開發有限公司	8 April 2013	RMB260,000,000	100%	—	Property development
Quzhou Country Garden Property Development Co., Ltd 衢州碧桂園房地產開發有限公司	7 April 2013	RMB200,000,000	100%	—	Property development
Guangyuan Country Garden Property Development Co., Ltd 廣元碧桂園投資有限公司	15 April 2013	RMB200,000,000	100%	—	Property development
Gaozhou Country Garden Property Development Co., Ltd 高州市碧桂園房地產開發有限公司	15 April 2013	RMB120,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Nan'an Country Garden Property Development Co., Ltd 南安碧桂園房地產開發有限公司	5 June 2013	RMB150,000,000	80%	20%	Property development
Zibo Country Garden Property Development Co., Ltd 淄博市碧桂園房地產開發有限公司	17 June 2013	RMB100,000,000	100%	—	Property development
Pingxiang Country Garden Property Development Co., Ltd 萍鄉市碧桂園物業發展有限公司	3 July 2013	RMB100,000,000	100%	—	Property development
Zhuji Country Garden Property Development Co., Ltd 諸暨碧桂園房地產開發有限公司	5 July 2013	RMB100,000,000	100%	—	Property development
Chongqing Bishan Country Garden Property Development Co., Ltd 重慶市璧山碧桂園房地產開發有限公司	2 August 2013	RMB300,000,000	100%	—	Property development
Lu'an Country Garden Property Development Co., Ltd 六安碧桂園房地產開發有限公司	6 August 2013	RMB210,000,000	100%	—	Property development
Sanming Country Garden Property Development Co., Ltd 三明市碧桂園房地產開發有限公司	26 August 2013	RMB100,000,000	100%	—	Property development
Nantong Country Garden Property Development Co., Ltd 南通市碧桂園房地產開發有限公司	4 September 2013	RMB300,000,000	100%	—	Property development
Cixi Country Garden Property Development Co., Ltd 慈溪市碧桂園房地產開發有限公司	27 September 2013	RMB200,000,000	100%	—	Property development
Zoucheng Country Garden Property Development Co., Ltd 鄒城市碧桂園房地產開發有限公司	22 September 2013	RMB100,000,000	100%	—	Property development



## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Wuzhou Hefu Country Garden Property Development Co., Ltd 梧州市合富房地產開發有限公司	8 July 2011	RMB100,000,000	80%	20%	Property development
Wuyishan Country Garden Property Development Co., Ltd 武夷山市碧桂園房地產開發有限公司	28 October 2013	RMB100,000,000	60%	40%	Property development
Haining Country Garden Property Development Co., Ltd 海寧碧桂園房地產開發有限公司	29 October 2013	RMB100,000,000	100%	—	Property development
Nantong Tongzhou Country Garden Property Development Co., Ltd 南通市通州區碧桂園房地產開發有限公司	8 November 2013	RMB200,000,000	100%	—	Property development
Pinghu Country Garden Property Development Co., Ltd 平湖碧桂園深商投商用置業有限公司	6 November 2013	RMB200,000,000	70%	30%	Property development
Qingdao Chengyang Country Garden Property Development Co., Ltd 青島城陽碧桂園房地產開發有限公司	11 December 2013	USD50,000,000	100%	—	Property development
Dongguan river bank garden Property Development Co., Ltd 東莞江畔花園建造有限公司	23 December 1992	RMB100,000,000	99.9%	0.1%	Property development
Wuxi Xinbi Country Garden Property Development Co., Ltd 無錫市新碧房地產開發有限公司	20 August 2013	USD98,000,000	100%	—	Property development
Haiyang Bihang Development Co., Ltd 海陽碧航發展有限公司	29 September 2013	USD20,000,000	100%	—	Houseboat
Zhangjiagang Country Garden Property Development Co., Ltd 張家港碧桂園房地產開發有限公司	16 December 2013	USD60,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Zhengzhou Hanfeng Property Development Co., Ltd. 鄭州翰鋒置業有限公司	9 January 2014	RMB220,464,200	51%	49%	Property development
Fuding Country Garden Property Development Co., Ltd. 福鼎碧桂園房地產開發有限公司	13 January 2014	RMB100,000,000	100%	—	Property development
Haiyan Country Garden Property Development Co., Ltd. 海鹽碧桂園房地產開發有限公司	12 February 2014	RMB150,000,000	100%	—	Property development
Jiangyin Gaoxing District Country Garden Property Development Co., Ltd. 江陰高新區碧桂園置業有限公司	13 February 2014	RMB100,000,000	100%	—	Property development
Putian Country Garden Property Development Co., Ltd. 莆田市碧桂園房地產開發有限公司	20 February 2014	RMB100,000,000	100%	—	Property development
Hainan Lingshui Country Garden Runda Property & Investment Co., Ltd. 海南陵水碧桂園潤達投資置業有限責任公司	11 April 2014	RMB200,000,000	55%	45%	Property development
Foshan Shunde Daliang Country Garden Property Development Co., Ltd. 佛山市順德區大良碧桂園房地產開發有限公司	11 April 2014	USD40,000,000	100%	—	Property development
Ningde Tianmao Country Garden Property Development Co., Ltd. 甯德市碧桂園天茂房地產開發有限公司	3 July 2013	RMB150,000,000	55%	45%	Property development
Jiujiang Country Garden Property Development Co., Ltd. 九江碧桂園房地產開發有限公司	11 July 2013	RMB122,000,000	100%	—	Property development

## 41 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
<b>Established and operate in the PRC:</b>					
<b>(Continued)</b>					
Wenzhou Xinghan Country Garden Property Development Co., Ltd. 溫州星漢置業有限公司	22 April 2013	RMB100,000,000	70%	30%	Property development
Dongtai Country Garden Property Development Co., Ltd. 東台市碧桂園房地產開發有限公司	7 November 2013	RMB100,000,000	100%	—	Property development
Yueyang Country Garden Property Development Co., Ltd. 岳陽市碧桂園房地產開發有限公司	11 April 2014	RMB100,000,000	100%	—	Property development
Zhuji Datang Country Garden Property Development Co., Ltd. 諸暨大唐碧桂園房地產開發有限公司	29 November 2013	RMB160,000,000	51%	49%	Property development
<b>Established and operate in the Malaysia:</b>					
Vibrant Corridor SDN. BHD.	6 November 2012	RM2,500,000	55%	45%	Property development
Mayland Venue SDN. BHD.	23 November 2012	RM2,500,000	55%	45%	Property development
Country Garden Danga Bay Sdn Bhd	16 October 2012	RM150,000,000	100%	—	Property development
Country Garden Landscape S/B	25 November 2013	RM1,000,000	100%	—	Property development
Giant Leap Construction Sdn. Bhd.	6 March 2014	RM2,500,000	100%	—	Construction
Teng Yue Overseas Construction SDN. BHD	21 May 2014	RM2,500,000	100%	—	Construction
GIANT LIGHT M&E ENGINEERING SDN. BHD.	12 May 2014	RM1,000,000	100%	—	Construction

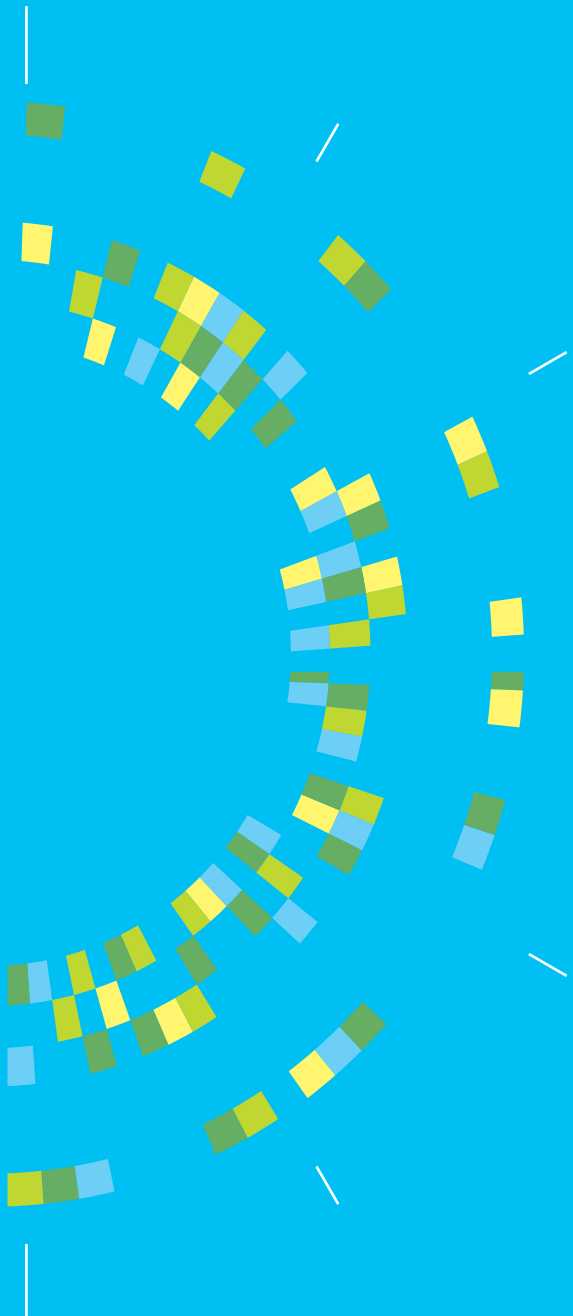
The English names of the PRC companies referred to above in this note represent management's best efforts in translating the Chinese names of those companies as no English names haven been registered or available.

<b>“2013 Construction Services Agreement”</b>	the construction services agreement dated 10 May 2013 entered into between Giant Leap and Qingyuan CG
<b>“2014 AGM”</b>	the annual general meeting of the Company held on Wednesday, 21 May 2014
<b>“2015 AGM”</b>	the annual general meeting of the Company held on Wednesday, 20 May 2015
<b>“2015 Construction Services Agreement”</b>	the construction services agreement dated 16 December 2014 entered into between Giant Leap and Qingyuan CG
<b>“Articles of Association”</b>	the articles of association of the Company
<b>“Audit Committee”</b>	audit committee of the Company
<b>“Available cash”</b>	the sum of cash and cash equivalents and the guarantee deposits for construction of pre-sale properties
<b>“Beijiao Construction Co.”</b>	Shunde Beijiao Construction Company Limited
<b>“Board”</b>	the board of Directors
<b>“Chairman”</b>	the chairman of the Board
<b>“Chief Financial Officer”</b>	the chief financial officer of the Company
<b>“China Construction”</b>	China Construction Fifth Engineering Division Corp., Ltd.
<b>“CIMA”</b>	Chartered Institute of Management Accountants
<b>“Core net profit”</b>	profit attributable to owners of the Company excluding the after-tax gains arising from changes in fair value of and transfer to investment properties, net exchange gains/losses on financing activities, and the loss on early redemption of senior notes
<b>“Corporate Governance Code”</b>	Corporate Governance Code as set out in Appendix 14 of the Listing Rules
<b>“Company”</b>	Country Garden Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 2007)
<b>“Corporate Governance Committee”</b>	corporate governance committee of the Company
<b>“CPD”</b>	continuous professional development
<b>“Current ratio”</b>	a ratio calculated by dividing current assets by current liabilities
<b>“Design Services Agreements”</b>	the design services agreement dated 27 March 2007 and the design services supplemental agreements dated 20 June 2008, 17 December 2010, 31 October 2012 and 13 December 2013 entered into between Shunde Country Garden and Elite Architectural

<b>“Director(s)”</b>	director(s) of the Company
<b>“Eligible Shareholders”</b>	the Shareholders whose name appear on the register of members of the Company on Thursday, 28 May 2015
<b>“Elite Architectural”</b>	Guangdong Elite Architectural Co., Ltd.
<b>“Employee Incentive Scheme”</b>	employee incentive scheme of the Group
<b>“Executive Committee”</b>	executive committee of the Company
<b>“Finance Committee”</b>	finance committee of the Company
<b>“GFA”</b>	gross floor area
<b>“Giant Leap”</b>	Guangdong Giant Leap Construction Co., Ltd.
<b>“Group/Country Garden”</b>	the Company and its subsidiaries
<b>“HKD”</b>	Hong Kong dollar, the lawful currency of Hong Kong
<b>“HKICPA”</b>	Hong Kong Institute of Certified Public Accountants
<b>“Hong Kong/HKSAR”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“LAT”</b>	land appreciation tax
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“Model Code”</b>	Model Code of Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of Listing Rules
<b>“Net current assets”</b>	the value of a company’s total current assets after its liabilities have been subtracted
<b>“Net debt”</b>	the value of a company’s total debt net of available cash
<b>“Net gearing ratio”</b>	a financial leverage calculated by dividing net debt by the equity attributable to owners of the Company
<b>“Nomination Committee”</b>	nomination committee of the Company
<b>“PRC/China”</b>	the People’s Republic of China, except where the context requires, geographical references to the PRC exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
<b>“President”</b>	president of the Company
<b>“Qingyuan CG”</b>	Qingyuan Country Garden Property Development Co., Ltd.
<b>“R&amp;F”</b>	Guangzhou R&F Properties Co., Ltd.

<b>“Remuneration Committee”</b>	remuneration committee of the Company
<b>“Rights Issue”</b>	rights issue by the Company which came into effect on 14 October 2014
<b>“RMB”</b>	Reminbi, the lawful currency of the PRC
<b>“SFO”</b>	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
<b>“Share(s)”</b>	ordinary share(s) in the capital of the Company with a par value of HKD0.10 each
<b>“Share Option Scheme”</b>	the share option scheme of the Company adopted on 20 March 2007
<b>“Shareholder(s)”</b>	shareholder(s) of the Company
<b>“Sharing Incentive Scheme”</b>	the achievement sharing incentive scheme together with the terms of the revised achievement sharing incentive scheme of the Group
<b>“Shunde Country Garden”</b>	Foshan Shunde Country Garden Property Development Co., Ltd.
<b>“Shunde Sanhe Co.”</b>	Shunde Sanhe Property Development Co., Ltd.
<b>“Stone Supply Agreement”</b>	the stone supply framework agreement dated 10 May 2013 entered into between Shunde Country Garden and Wanfang Stone
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“USD”</b>	US dollar, the lawful currency of the United States of America
<b>“Wanfang Construction”</b>	Wanfang Construction Co., Ltd
<b>“Wanfang Stone”</b>	Wanfang Stone Co., Ltd
<b>“WF Construction Services Agreement”</b>	the construction services framework agreement dated 10 May 2013 entered into between Shunde Country Garden and Wanfang Construction
<b>“%”</b>	per cent





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